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Women Entrepreneurs in Sub-Saharan Africa: A Self-Determination Theory Perspective. The Case of Ethiopia

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door

Atsede Tesfaye Hailemariam,

geboren op 7 november 1956 te Lekemet, Ethiopië

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Chapter 1. Introduction

Female entrepreneurship is a potentially viable and uncontested solution for economic, as well as social, change in sub-Saharan Africa (SSA). It is an important engine of economic growth for developing countries, as it has a vital role to play in generating productive work, promoting the wellbeing of families, empowering women, achieving gender equality and reducing poverty (Minniti, 2010; De Vita, Mari, & Poggesi, 2014). Empowering women, especially economically, has become a prominent strategy for fighting poverty in developing countries (Scott, Dolan, Johnstone-Louis, Sugden, & Wu, 2012). Despite these benefits, entrepreneurship in SSA was once considered to be a man's domain; however, the tide has turned. The Global Entrepreneurship Monitor 2012: Women's Report indicates that SSA has the highest rate of total entrepreneurial activity (TEA) for women, with women starting business in the region at higher rates than anywhere else in the world. According to the report 27% of the female population is engaged in entrepreneurship and, among the ten countries in the study, Ghana, Nigeria and Uganda had women participating in entrepreneurship at an equal, or slightly higher, level than men (GEM, 2013).

However, despite the high rate of TEA among women, SSA registers a lot of cessation of business among women and at a higher level than for men (GEM, 2013). This is because women entrepreneurs in SSA face challenges arising from the high fertility rate, women's inadequate education and lack of legitimacy (De Vita, Mari, & Poggesi, 2014), domestic violence (Scott, 2014), and the lack of economic rights for women (Hallward-Driemeier, 2013). In general, unfavorable conditions in local regulatory, normative and cognitive systems in the region hinder women who aspire to become entrepreneurs and develop businesses (Amine & Staub, 2009).

In countries where there are substantial economic and institutional deficiencies, self- employment is often a survival strategy (Woldie & Adersua, 2004). As a result, the majority of women entrepreneurs in developing countries (such as in SSA) become entrepreneurs out of necessity to ensure their survival, nutrition, and health care, as well as the education of their family (Minniti, 2010; Nichter & Goldmark, 2009), mainly in the informal sector of the economy (De Vita, Mari, & Poggesi, 2014). Relative to men, women pursue low-opportunity activities, with their enterprises more likely to be small, informal, and in low value-added lines of business (Hallward-Driemeier, 2013). Operating a business in the informal sector

often does not involve much human capital, investment, or registration costs, and is neither taxed nor monitored by the government; hence, it is a source of self-employment specifically suited to poor and uneducated women. According to the Central Statistics Authority in Ethiopia, 65% of informal sector activities during 2003 were owned and run by women (CSA, 2004). Due to factors such as the poor performance of the formal economy in job creation, the informal sector is a potential instrument for employment creation and poverty alleviation, especially for the less privileged in society (Siba, 2015).

However, research conducted in SSA also indicates the emergence, although very slowly, of a new profile of women entrepreneurs: women who are more motivated, well-educated and free from family ties (Aterido & Hallward-Driemeier, 2011; Singh, Mordi, Okafor, & Simpson, 2010) and who operate businesses in the formal sector of the economy (De Vita, Mari, & Poggesi, 2014). There are some women entrepreneurs in Ethiopia, who have started a business in the formal economy, have been able to grow their micro enterprise into a small enterprise (Stevenson & St-Onge, 2005; Solomon 2010; World Bank, 2009). This group of women entrepreneurs includes those who move from the informal to the formal sector and who manage to create a significant number of employment opportunities for others (ILO, 2003; Wasihun & Paul, 2010), as well as generate tax revenue.

In addition, the Global Entrepreneurship Monitor 2012: Women's Report indicates that Ethiopia is among one of the five economies in SSA that has equal percentages of women and men running established businesses (GEM, 2013). Established businesses contribute to a country's economy through the ongoing introduction of new products and processes and the provision of a stable employment base (Kelley, Brush, Greene, Harrington, Ali, & Kew, 2015). In line with this, women entrepreneurs in Ethiopia who are engaged in arts and design-related businesses have been able to realize a transformation in the traditional and cultural goods business sector by changing people's attitudes towards traditional handmade clothes, leather goods and accessories, and by introducing local goods to international markets (BBC, 2014). Moreover, these women have created business opportunities and respectability for many artisans, including handloom weavers who were previously considered to engage in low-status work. The traditional weaving industry has become a source of income, including for poor women, some of whom were previously engaged in carrying and selling wood.

Despite this contribution, little is known about the group of women entrepreneurs in Ethiopia operating businesses in the formal sector, who have opportunity for personal choice and potential for success and growth (Stevenson & St-Onge, 2005; Solomon, 2010). The few existing studies have mainly focused on identifying barriers and challenges that women face in entrepreneurial activities (for example, Abebe, 2014; Singh & Belwal, 2008; Worldbank, 2015). These studies have found that women entrepreneurs tend to be less successful than men, because of difficulties with access to finance, land, training, and education, as well as lack to effective business networks. Moreover, like women entrepreneurs in many other SSA countries, women in Ethiopia are at disadvantage due to constrained access to collateral and education, as well as lack of prior work experience, all of which are significant barriers to obtaining an initial bank loan (Hallward-Driemeier, 2013). Efforts to reduce such barriers to entrepreneurship will be more effective if we understand how women interpret their context and use it in their decision to be an entrepreneur and in their efforts to be successful on their own terms.

Research question

Given the complexity and uncertainty associated with entrepreneurship, understanding entrepreneurial motivation is an important factor in understanding the entire entrepreneurial process (Carsrud & Brännback, 2011). The motivational process also matters for growth. Hence, understanding motivation contributes to understanding what leverage is needed to support women's ventures and help them thrive. Thus, this dissertation aims to improve knowledge about women's motivations to start and grow their businesses, as well as how women themselves define business success. The self-determination theory (SDT) (Deci & Ryan, 1985a, 2002) is used to better understand the motivation of women entrepreneurs to start, maintain and possibly grow a business in the formal economy of Ethiopia. SDT focuses on the extent to which an individual's behavior is self-motivated and self-determined, as well as the social context that prompt it. Entrepreneurial behavior is primarily self-determined behavior; that is, individuals decide for themselves what course of action they will follow (Shane & Venkataraman, 2000; Shane, Locke, & Collins, 2003). However, in the entrepreneurship literature, little is mentioned about what contributes to entrepreneurial motivation and how, or if, it changes overtime (Carsurd & Branback, 2011). Moreover, the social context influences entrepreneurial motives, cognition, intention and action (Welter 2011; Kibler,

Kautonen, & Fink, 2014). Thus, SDT is proposed as a tool for understanding entrepreneurial motives, for two main reasons.

First, much of the entrepreneurial motivation research categorizes the motivation of entrepreneurs to form and develop a venture as 'opportunity-driven' or 'necessity-driven' (Reynolds, Bygrave, Autio, Cox, & Hay, 2002). Necessity entrepreneurs are individuals who are pushed into entrepreneurship because all other options for work are either absent or unsatisfactory, while opportunity entrepreneurs are those who start a business in order to pursue an opportunity. However, a recent review of the motivations for entrepreneurship indicates that the opportunity-necessity differentiation oversimplifies the complex motivations underlying entrepreneurship, as it captures only a small part of the relevant motivations for entrepreneurship (Stephan, Hart, & Drews, 2015). According to this review, motivations such as autonomy and better work, do not relate to opportunity or necessity motivation.

However, a few studies have examined the motives of entrepreneurs beyond opportunity (Carsrud, Brännback, Elfving, & Brandt, 2009). For example, for some entrepreneurs, opportunity-based initiatives must maximize the wealth flowing to the entrepreneur and, as Welter, Baker, Audretsch and Gartner (2017) suggest, a venture started out of necessity may innovate and grow. Thus, entrepreneurs may be driven by both opportunity and necessity (Williams, 2008; Hughes, 2003) and motivation may change over time (Williams & Williams, 2012; Aidis, Welter, Smallbone, & Isakova, 2007). However, the opportunity versus necessity dichotomy can be useful in trying to explore a 'messy' phenomenon, such as entrepreneurship and function, as a starting point for theories that allow us to make sense of the mess (Welter, Baker, Audretsch, & Gartner, 2017). In particular, SDT theory provides a lens through which to better understand the motivation behind a behavior (such as entrepreneurial behavior), placed on a continuum (not as a dichotomy) of self-determination. Motivational change over time is also central to SDT, which proposes that people may have more than one type of motivation when engaging in an activity over time (Vallerand, Pelletier, & Koestner, 2008). SDT assumes that internalization is a process of change for all humans and that humans are inherently motivated to internalize behaviors that allow them to grow and be healthy. Thus, SDT is important as it provides a way to make sense of the complex and messy motives for entrepreneurship.

Second, SDT is useful for understanding the social contextual conditions that facilitate or undermine the natural process of self-determination. It has been suggested that in developing countries women starting and developing a venture are either facilitated or limited by factors that are directly related to gender issues and women's position in society (Karim, 2001). This is because, women entrepreneurs face more socio-cultural challenges than their male counterparts (Brush, De Bruin, & Welter, 2009; Gichuki, Njeru, & Tirimba, 2014). Thus, the study of women entrepreneurship requires the carefully consideration of the context, which is defined as the institutional, cultural, social and spatial environment within which entrepreneurs enact and grow their ventures (Welter, Brush, & de Bruin, 2014). Towards this end, this dissertation addresses the following main research question:

Main research question: *Which personal, entrepreneurial ecosystem and socio-cultural contextual factors explain the autonomous (self-determined) motivation of women entrepreneurs in Ethiopia to pursue their business and their intention to grow it into a success that is meaningful to them?*

Although there are only a few researchers who have applied SDT in the field of entrepreneurship (for example, Hahn, Frese, Binnewies, & Schmitt, 2012; Douglas, 2013; McMullen & Warnick, 2015), to my knowledge, there is no research on women's entrepreneurship that has used SDT to explore motivation in relation to the social contexts that prompt self-determined entrepreneurial behavior. Entrepreneurship is not solely the result of human action. Specifically, the development of entrepreneurship theory requires consideration of the influence of the entrepreneurial ecosystem and the socio-cultural context on the motivations of women in making entrepreneurial decisions.

Moreover, most previous studies on entrepreneurship mainly focus on the financial performance, wealth and job creation of the venture, while in African countries women's entrepreneurship is considered a poverty alleviation strategy. More than men, women invest business earnings in household nutrition, health and education (Nichter & Goldmark, 2009). For women, a successful business may mean more than economic growth. This dissertation, therefore, contributes to the need to understand the contribution of entrepreneurial activity by women, as they often create significant value beyond economic growth (Calas, Smircich, & Bourne, 2009; Sheikh, Yousafzai, Sist, AR, & Saeed, 2018).

In practical terms, this dissertation is expected to contribute to knowledge on women's entrepreneurship that will help policy makers and program developers to support and strengthen opportunities for aspiring and existing women entrepreneurs in SSA countries such as Ethiopia. It has been recognized that when properly-nurtured female entrepreneurship can become a catalyst for change in Africa. This is because, the growth of female-owned enterprises is a key driver in reducing unemployment rates among women, as female-owned businesses tend to employ proportionately more women than male-owned firms (Nichter & Goldmark, 2009). For example, women's entrepreneurship can help in the economic reintegration of returned female Ethiopian domestic workers from the Middle East, a group that is becoming a challenge for the government (Nisrane, Morissens, Need, & Torenvlied, 2017).

In the following sections, the environment for women's entrepreneurship in Ethiopia is presented. This is followed by an introduction to the self-determination theory and the sub-questions that guide the empirical chapters of this dissertation. Finally, an outline of the subsequent chapters is given.

The environment for women's entrepreneurship

Ethiopia is a low income country and the second most populous country in SSA, with a population of about 102 million in 2016 (World Bank, 2017). Christianity and Islam are the main religions (CSA, 2007) and there are more than 80 ethnics groups. According to The World Bank report 2017, the economy had a GDP of 10.5% per year from 2005/2006 to 2015/2016, which is nearly double the sub-Saharan regional average of 5.4% (World Bank, 2017). Expansion of services and agriculture accounts for most of this with only modest growth in manufacturing. Job creation and employment in the service and retail sectors are higher than in the manufacturing sector (World Bank, 2015). The country's current medium-term strategic framework, the Growth Transformation Plan II (GTP II: 2015/16-2019/20), aims to provide credit and marketing supports to women entrepreneurs and strengthen businesses to prompt economic empowerment of women. The national Micro Small Enterprise (MSE) development strategy and policy formulated in 2011 included women entrepreneurs as one of the target groups. This MSE strategy defines, enterprises having up to 5 employees as micro enterprises, and having from 6 to 30 employees as small enterprises. While there is no universally-agreed definition of MSEs, the present study makes use of this definition, which focuses only on head count.

However, the implementation of the strategy is facing problems. Recently published data from the 2015 Ethiopia Enterprise Survey indicates that access to finance, access to electricity, and custom and trade registration are the top three business environment obstacles in Ethiopia (World Bank, 2016). In addition, only 6.9% of small businesses in Ethiopia were financed by banks during 2014, which is below the average for SSA countries, which is 9.1%. Only entrepreneurs running business in the formal sector obtain finance from sources such as microfinance institutions, moneylenders, and commercial banks (Hallward-Driemeier, 2013). However, there are financial sources, such as the Women Entrepreneurship Development Project (WEDP) and Enat bank that are involved in lending money to women entrepreneurs in the formal sector. Moreover, gender-sensitive policies, such as the revised Family Code 2000, have facilitated access to resources and the removal of restrictions on employment for women. The implementation of the Family Code has provided women with collateral to gain access to finance, strengthen their bargaining position within the household, and strengthened their ability to pursue economic opportunities (Hallward-Driemeier & Gajigo, 2015; Kumar & Quisumbing, 2015).

Despite government and donor support, women entrepreneurs in SSA face challenges due to gender gaps in human capital, particularly access to managerial and business skills, and the ability to own and control assets (Hallward-Driemeier, 2013). Key decisions such as registering a marriage, choosing a marital property regime, titling assets and businesses, and writing wills have dramatic impacts on their right to property (Hallward-Driemeier & Hasan, 2012). Although there is considerable variation within Ethiopia and signs of national improvements, the country has some of the lowest gender equality performance indicators in SSA. The Global Gender Gap Report of 2015 ranks Ethiopia at 124 out of 145 countries in terms of the magnitude and scope of gender disparities. This is reflected in the unbalanced ratio of male to female school attendance (World Economic Forum, 2015). A recent survey conducted in 2016 indicated that nearly half (48%) of women aged 15–49 have not attended school, only 12% have secondary education, and only 6% have more than secondary education (Central Statistics Agency & ICF International, 2017). This may prevent many women from being successful entrepreneurs, as particularly education beyond secondary school and management skills were shown to contribute to the productivity of women in business (Aterido & Hallward-Driemeier, 2011). Lack of education and training are not only

problematic for raising skill levels, but also result in lack of confidence and change women's perceptions of themselves. Their self-perception is key, given that they generally have to go against the tide of cultural values and attitudes in society to become entrepreneurs (Kelley, Brush, Greene, & Litovsky, 2013).

Overall, despite the attempts to affirm women's rights and gender equality through progressive laws and practices, such laws and policies often remain only on paper and gender gaps in Ethiopia persist due to deep-rooted gender norms and implementation failure (MoWA, 2006). Thus, this study explores how the business environment and the socio-economic and cultural contexts have impact on women entrepreneurship in Ethiopia. In the next section the study proposes self- determination theory as a way of understanding the motivation and growth intention within the socio-cultural context in which women entrepreneurs operate business in Ethiopia.

Self-Determination theory

Self Determination Theory (SDT) (Deci & Ryan, 1985a, 2002) is a meta theory of human motivation and personality that examines the processes that lead individuals to feel that their behavior is self-motivated and self-determined (intrinsic motivation) vis-a-vis the process that motivates individual behaviors, because they feel forced to do so by external factors. SDT builds on a number of interrelated mini theories, such as organismic integration theory (Deci & Ryan, 1985a, 2002), basic psychological need theory (Deci & Ryan, 2000; Ryan 1995), cognitive evaluation theory (Deci & Ryan 1985a; Deci & Ryan, 2000), casualty orientation theory (Deci & Ryan, 1985b); and goal contents theory (Kasser & Ryan, 1996), which contribute to understanding how intrinsic motivation develops in interaction between individuals and contextual characteristics.

According to SDT, intrinsic motivation refers to doing something because it is inherently interesting or enjoyable, while extrinsic motivation refers to doing something because it leads to a separable outcome (Deci & Ryan, 1985a). Entrepreneurs are intrinsically motivated to form a venture when they find entrepreneurial activity itself to be interesting and enjoyable. Considering the fact that entrepreneurship involves risk and is characterized by high work involvement, high engagement, intense competition, and a strong achievement motive and willingness, people may not be intrinsically motivated to start a business. However, they can be extrinsically motivated to engage in entrepreneurial activity, for example, when they

form a venture because they seek a separable outcome, such as to generate income for survival or to be independent, but not because entrepreneurial activity is interesting and enjoyable of itself. The need for income and the need for financial independence are considered as the motivations to start and grow a business here, not interest in the entrepreneurial activity as such. Moreover, despite the fact that both these motives are externally driven, the motivation to start a business varies in the degree to which engaging in entrepreneurial activity offers choices. People who have no choice of other jobs engage in entrepreneurship to generate money for survival. In this sense, engaging in entrepreneurial activity is a choice people make to be independent. Hence, depending on the relative autonomy (choice) sub-theory of SDT, organismic integration theory (OIT) is used to detail the various forms of extrinsic motivations.

Organismic Integration Theory

Organismic Integration Theory (OIT) posits that all behaviors (such as entrepreneurship) lie on a continuum of relative autonomy, depending on the degree to which the activity is self-determined (Deci & Ryan, 2000, 1985a). The theory describes the idea that people are inclined to internalize and integrate in themselves ambient values and practices, and the regulation of such adopted practices and values thus varies in its relative integration to the self (Ryan & Patrick, 2009). The more fully a regulation, or the value it, is internalized, the more it becomes part of the integrated self and the more it is the basis for self-determined behavior (Deci & Ryan, 2002). According to the degree to which a behavior is integrated and internalized, there are four types of extrinsic motivation: 'external regulation. 'Introjected regulation, 'identified regulation, and 'integrated regulation'. External regulation and introjected regulation are often considered to be controlled types of motivation, whereas identified regulation and integrated motivation are forms of autonomous motivation (Ryan & Deci, 2000). Controlled motivation relates to necessity based motivation, while autonomous motivation relates to opportunity motivation. However, OIT provides a lens through which to better understand the degree of internalization and integration of the value of entrepreneurial activity, indicating the magnitude and intensity of the motivation and the conditions that facilitate the internalization of extrinsic motivation.

In line with this, women have different motives for forming and maintaining a venture. However, internalizing and integrating the value of a venture requires an entrepreneurial ecosystem that allows

human capital, as well as financial and other resources, along with encouraging government policies and regulations and support from social agents. Thus, the first sub-research question is:

Sub-research question 1: *How do types of motivation develop for women entrepreneurs to form and develop a venture in the entrepreneurial ecosystem of the formal sector of the economy?*

Basic-Psychological Need Theory

Basic-psychological need theory (BPNT) elaborates the concept of basic psychological needs and its relation to intrinsic motivation, the integration of extrinsic motivation and well-being. The three basic psychological needs are 'competence' (the need for confidence and efficacy in one action). 'Autonomy' (the need to control the course of actions), and 'relatedness' (the need for close affectionate relationships with other). Applied to entrepreneurs, the extent to which a venture fulfils the physiological needs defined by BPNT will contribute to their intrinsic and extrinsic motivation levels (Carsrud, Brännback, Elfving, & Brandt, 2009). BPNT posits that a person needs to experience the satisfaction of these basic, universal psychological needs in an activity (such as entrepreneurial activity) in order to be autonomously motivated and to experience psychological well-being and behavioral functioning (Deci & Ryan, 2000; Ryan, 1995). For example, people start businesses to satisfy their need for autonomy (Shane, Locke, & Collins, 2003; Van Gelderen & Jansen, 2006), in order to have the freedom to make their own decisions (Van Gelderen & Jansen, 2006; Gelderen, 2016). Satisfaction from autonomy in entrepreneurial activity is a dominant source of entrepreneurial satisfaction (Gelderen, 2016). Psychological well-being is vital to run a business venture effectively, as it influences the entrepreneur's productivity and performance (Shepherd & Haynie, 2009; Hahn, Frese, Binnewies, & Schmitt, 2012). However, SDT theory proposes that both social context and enduring individual differences influence the satisfaction or frustration of basic psychological needs, provided by the following two mini theories: cognitive evaluation theory and causality orientation theory.

Cognitive Evaluation Theory

Cognitive evaluation theory (CET) is concerned with how the social context facilitates or undermines intrinsic motivation, the internalization of extrinsic motivation and well-being. It proposes that social context is important to individual functioning and well-being, because it influences the satisfaction of the three basic psychological needs. Social contexts that prompt or facilitate the satisfaction of the basic

psychological need for autonomy, competence and relatedness are referred to as autonomy-supportive. In contrast, controlled contexts are environments that thwart or frustrate the satisfaction of those needs (Ryan & Deci, 2000, 2008). Contexts that are described as autonomy-supportive are characterized as those that give people choice and encouragement for personal initiative and also those that support people's competence in a climate of relatedness (Deci, Ryan, Gagné, Leone, Usunov, & Kornazheva, 2001), which in turn leads to autonomous functioning and well-being.

In line with this, researchers have suggested considering the household and family context, the expectations of society, and cultural norms when investigating women entrepreneurs, as these contexts might have a greater impact on women than men (Brush, De Bruin, & Welter, 2009). Societal attributions and socialization processes may create barriers for women entrepreneurs, due to the uneven distribution of assets, the focus on level of education and the daily life activity expectations on women (Sullivan & Meek, 2012). Thus, gendered socio-cultural patterns influence whether or not a woman aspires, and has the opportunity, to be an entrepreneur in her society (Holland, 2014). Authority-subordinate relations and the quest for status and power in society are indicated as socio-cultural factors limiting women entrepreneurship in SSA (Takyi-Asiedu, 1993). In particular, due to normative expectations, women entrepreneurs in Ethiopia shoulder household responsibilities, as well as societal roles and obligations (Gudeta & van Engen, 2017). The second sub-research question, therefore, is:

Sub-research question 2: *What are the autonomy-supportive/controlling socio-cultural contexts that facilitate/undermine the satisfaction of needs for autonomy, competence and relatedness in the entrepreneurial activities of women entrepreneurs?*

However, SDT (Deci & Ryan, 1985b) posits that psychological meaning is vulnerable to individual dispositional tendencies; therefore, different individuals could interpret the same context as either autonomy-supportive or controlling, depending on their unique inclination, as explained by the following mini-theory.

Causality Orientation Theory

Causality orientation theory (COT) focuses on individual differences in motivational orientation. It refers to people's tendency to orient toward particular kinds of social or environmental inputs, and particular

interpretations of those inputs (Deci & Ryan, 1985b). People's early social experiences can influence the development of their causality orientation, thus making them vary in terms of orientation towards being autonomously self-regulated or regulated by the environment (Gagné, 2003). People who are high in terms of 'autonomy orientation' experience social contexts as autonomy-supportive and tend to be self-determined in accordance with their own emerging interests and self-endorsed values. In contrast, those who are high in terms of 'control orientation' have a tendency to experience social contexts as controlling and interpret external events as pressuring, and thus typically regulate their behavior with an experience of control. Finally, people who are high in terms of 'impersonal orientation' have a general tendency to be 'amotivated' (not having an intention to act), as they feel helpless and ineffective and believe that they can't control outcomes (Gagné & Deci, 2005; Vansteenkiste, Niemiec, & Soenens, 2010).

In the entrepreneurship literature, the decision to exploit an entrepreneurial opportunity is influenced by individual differences (Shane & Venkataraman, 2000; Shane, Locke, & Collins, 2003), which depend on a person's understanding of the environment and their interaction within it (Carsrud, Brännback, Elfving, & Brandt, 2009). Thus, different individuals could interpret the same socio-cultural events as either autonomy-supportive or controlling depending on their unique inclination.

Goal Content Theory

The last mini-theory of SDT applied in this dissertation is goal content theory (GCT), which focuses on the different types (intrinsic and extrinsic) of life goals or aspirations that people pursue. Intrinsic goals include personal growth, close relationships, community contribution, and physical health. While extrinsic goals include money, fame, and image (Kasser & Ryan, 1996). People develop strong values for intrinsic and extrinsic goals, depending on the salient goals promoted by their culture (Kasser & Ahuvia, 2002). In line with this, it is necessary to analyze entrepreneurship as a more complex phenomenon than its narrow formulation as an economic activity (Calas, Smircich, & Bourne, 2009). Motivation and goals for engaging and staying in business and socio-cultural attributions such as family values influence how women entrepreneurs define business success (Toledo-López, Díaz-Pichardo, Jiménez-Castañeda, & Sánchez-Medina, 2012). The third sub-research question, therefore, is:

Sub-research question 3: *How do women entrepreneurs define business success in their own terms?*

In this dissertation both qualitative and quantitative methods of analysis were used to address the main research question. The first three qualitative studies address the three sub-research questions presented so far in this section using a semi-structured interviews conducted with women entrepreneurs in Addis Ababa (the capital of Ethiopia). The last empirical study, which addresses growth intentions, was conducted using a quantitative analysis method based on a sample survey of both men and women micro and small business owners in Addis Ababa. This study is important, as the proportion of entrepreneurs with growth intention in the population is a more significant predictor of growth than general start-up rates or self-employment rates (Stam, Suddle, Hessels, & Van Stel, 2009; Kelly, Brush, Greene, Herrington, Ali, & Kew, 2015). Moreover, women entrepreneurs may have different motives or goals with regard to growing a business (Rey-Martí, Porcar, & Mas-Tur, 2015), and growth happens to be a consequence of achieving such goals (Carsrud & Brännback, 2011).

In the study, SDT is integrated with the theory of planned behavior (TPB) (Ajzen, 1985, 1991) to better understand the growth intention of micro and small business owners. Although TPB is widely applied to explain and predict all different types of intentions in the entrepreneurship literature (for a review see, Schlaegel & Koenig, 2014; Lortie & Castogiovanni, 2015), it is criticized for failing to identify the theoretical origins of behavioral intentions (Hagger & Chatzisarantis, 2007). As a result, entrepreneurship researchers have suggested various variables from different theories (Lortie & Castogiovanni, 2015), but there appears to be no research on the link between Basic Psychological Needs Satisfaction (BPNS) from SDT and variables from TPB. The incorporation of SDT into existing frameworks can provide a better insight into the origins of the cognitive predictors of intention (Deci & Ryan, 1985a).

According to TPB, intentions are predicted by three key variables: 'attitude' towards the behavior (would I like doing it). 'Perceived behavioral control' (do I have the control and can I do it), and 'subjective norms' (what do others think and how important is that to me). Growth intention is a behavioral choice of the entrepreneur, involving evaluative and motivational processes. Given the mixed findings for gender

differences in growth intention across studies (Efendic, Mickiewicz, & Rebmann, 2015; Estrin & Mickiewicz, 2011; Sullivan & Meek, 2012), the fourth sub-research question, therefore, is:

Sub-research question 4: *What are the factors that have influence on the growth intention of men and women business owners and is there a difference in growth intention between men and women micro and small business owners?*

Outline of the thesis

This thesis comprises six chapters. Except for the introduction and general discussion, all chapters in this dissertation were written as independent publications and published as book chapters or are under review by international journals. For this reason, a certain redundancy is present across these chapters in relation to the description of the business environment, socio-cultural context and SDT. Nevertheless, each one of these chapters presents a different research question and findings.

In chapters 2, 3 and 4 qualitative analysis is applied to data collected using semi-structured interviews with 19 women entrepreneurs in Addis Ababa (Appendix 1). All chapters can be read and understood independently from each other, hence, there is some overlap in the description of the data collection and research methodology. Chapter 2 explores the motivation of women entrepreneurs to start and develop a venture within the entrepreneurial ecosystem using qualitative content analysis. Chapter 3 explores the influence of the socio-cultural context on women entrepreneurs' basic psychological needs satisfaction/thwarting in entrepreneurial activity using thematic analysis. Chapter 4 explores how women entrepreneurs define business success in their own terms based on qualitative content analysis. In this chapter it is proposed that women entrepreneurs define their success both in economic terms as well as in relation to intrinsic goals.

In Chapter 5, two theories – SDT and TPB – are integrated to examine factors that influence the growth intention of men and women micro and small business owners. It is hypothesized that attitude, perceived behavioral control and subjective norms mediate the relationship between BPNS and the intention to grow a business. A quantitative analysis method is applied to test several hypotheses formulated using cross-sectional data. A comparison of the difference between the growth intention of men and women entrepreneurs is also conducted. Finally a general discussion of the findings of the

different aspects of the study, limitations and suggestions for future research, including theoretical and practical implications, are presented in Chapter 6.

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Chapter 2. Understanding the motivation of women entrepreneurs in Ethiopia

Atsede T. Hailemariam, Brigitte Kroon and Marc van Veldhoven

Abstract

Women entrepreneurs in Sub-Saharan countries such as Ethiopia are often stereotyped as necessity-based entrepreneurs operating in the informal sector of the economy. However, there are women entrepreneurs in Ethiopia who form and develop venture by their own choice in the formal sector of the economy. Moreover motivation literature suggests that motivation can develop and change overtime. In this study, self-determination theory (SDT) is used as a guiding framework for improved understanding of motivation to form and develop a venture, with a special interest in how motivation changes in relation to the entrepreneurial ecosystem. Interviews with eighteen women entrepreneurs in Ethiopia operating business in the formal sector identified autonomously motivated and controlled motivated women entrepreneurs proposed by SDT. The findings also highlight how the type of motivation changes over time. According to SDT, autonomous motivation and motivational change overtime happen when all basic psychological needs for autonomy, competence and relatedness are satisfied. The link of satisfaction of these psychological needs with entrepreneurial ecosystem providing clues for policy making and women entrepreneurship development interventions are discussed.

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Introduction

Worldwide reports show that the highest regional Total Entrepreneurial Activity (TEA) levels for females are found in Sub-Saharan Africa. On average, 27 percent of the women in this region are engaged in entrepreneurship. They are mostly necessity-based entrepreneurs (Global Entrepreneurship Monitor (GEM), 2013) operating in the informal sector (De Vita, Mari, & Poggesi, 2014). However, researches indicate the emergence, although very slowly, of a new profile of women entrepreneurs: more motivated, well-educated and free from family ties in the region (Aterido & Hallward-Driemeier, 2011; Singh, Mordi, Okafor, & Simpson, 2010). Far less is known about educated women entrepreneurs with previous work experience, or who have better access to finance and resources in Ethiopia (Stevenson & St-Onge, 2005; Solomon, 2010). In contrast to necessity-motivated ventures, this group forms and develops its ventures in the formal sector of the economy for motives different from survival. Formal entrepreneurship refers to creation of legally registered new firms in a country. This virtually unexplored research perspective will take center stage in this chapter.

Start-up entrepreneurs are most successful in entrepreneurial ecosystems that allow access to human, financial and other resources along with encouraging government policies and regulations. However, the decision to exploit an entrepreneurial opportunity is also influenced by individual differences (Shane & Venkataraman, 2000, Shane, Locke, & Collins, 2003), which depend on their understanding of the environment and their interaction within it (Carsrud, et al., 2009). Hence, motivation and ecosystems are related, but there appears to be a gap in research that relates motivation to entrepreneurial ecosystems. It is in this context that this chapter attempts to fill this gap by exploring types of motivations of women entrepreneurs within the entrepreneurial ecosystem in Ethiopia for forming and developing their venture in the formal sector of the economy.

Motivation can be either intrinsic or extrinsic or both (Carsrud, Brännback, Elfving, & Brännback, 2009; Carsrud & Brännback, 2011). Intrinsic motivation occurs when a person is driven by interest or enjoyment in the entrepreneurial task itself. Extrinsic motivation happens when the drive to be an entrepreneur is imposed by external factors, such as when it is just a means to make a living or in the context of family business, when one engages in a family business because that is what family expects.

Although the entrepreneur- ship literature suggests that localities impact the type of motivation, entrepreneurial motivations are not fixed and can evolve over time (Williams & Williams, 2012), such that even externally-driven motivation may be internalized and becomes intrinsic in time (Ryan & Deci, 2000; Deci & Ryan, 2008).

Self-Determination Theory (SDT) (Deci & Ryan, 1985a; Ryan & Deci, 2000) provides a lens to better understand women entrepreneurs' motivation to form and develop a venture within the entrepreneurial ecosystem. In-depth interviews with women in the formal economy of Ethiopia revealed a range of motivation types varying from externally regulated to intrinsic types of motivations. The findings also highlight how the type of motivation changes over time, depending on the perception of the self and support from key entrepreneurial ecosystem players.

According to SDT, intrinsic and well-internalized extrinsic motivation, categorized as autonomous motivation, happens when all basic psycho- logical needs for autonomy, competence and relatedness are satisfied (Ryan & Deci, 2000; Deci & Ryan, 2008). Since entrepreneurs have the same motivation as anyone for fulfilling their needs (Carsrud & Brännback, 2011), for a woman to be autonomously motivated to form and develop a venture, she needs to have the autonomy to decide independently and the freedom to choose what to do. Moreover, she needs the competence to deal effectively with the economic, social, and business environment. Finally, she needs to experience relatedness following from her social contacts to support her endeavors. The satisfaction of these psychological needs is also linked with the entrepreneurial ecosystem providing clues for policy making and women entrepreneurship development interventions, as will be discussed in the final section. Thus, in the following section, a background on business environment, women's entrepreneurial ecosystem in Ethiopia, and a literature review on motivation theory will be provided. The research methodology will then be presented followed by the results of a qualitative study using in-depth interviews. The findings will then be discussed, along with the study's limitations and suggestions for future research. Finally, the conclusion will be presented.

Background

Business Environment in Ethiopia

Ethiopia has made remarkable progress in its economic growth exceeding other sub-Saharan Africa countries, at an average annual real gross domestic product (GDP) of 10.6 percent during 2004–14. However, the total female entrepreneurial activity rates in Ethiopia were only 13 percent, which is below the average 27 percent of all participating countries in the Sub-Saharan region (GEM, 2013). This lower rate may be due to lack of an enabling business environment. For example, a simple and inexpensive business registration process is frequently heralded as a critically important component of the business environment. In the latest World Bank Doing Business 2016 report (World Bank, 2016a), Ethiopia ranked as #176 out of 189 countries in starting business. As shown in Table 2.1, starting business in Ethiopia is challenging because of administrative burdens, high start-up costs and required minimum capital, compared to average sub-Saharan and OECD regions. Moreover, the Ethiopia Enterprise Survey of 2015 (World Bank, 2016) indicates access to finance, electricity and custom and trade registration as the top three business environment obstacles.

Table 2.1 Indicators of starting a business: Ethiopia and average Sub- Saharan and OECD regions

Indicators	**Ethiopia**	**Sub Saharan Africa**	**OECD High Income**
Procedures (#)	11	8	4,7
Time (days)	19	26,8	8,3
Cost (% of income per capita)	76,1	53,4	3,2
Minimum Capital (% of income per capita)	138,9	45,1	9

The Entrepreneurial Ecosystem for Women Entrepreneurs in Ethiopia

Entrepreneurial ecosystems include the government, financial service providers, capacity and business skill developers, non-governmental organizations, investors, academia, women entrepreneurs' associations and the Chamber of Commerce. In addition, culture, and specifically positive societal norms and attitudes towards entrepreneurship, is recognized as a key component of entrepreneurial ecosystems (Stam, 2015; Isenberg, 2010). Below, each of these elements is briefly addressed to show the eco- system for women entrepreneurship in Ethiopia's economy.

First, the government revised its Micro and Small Enterprise (MSE) development strategy and policy in 2011, which mainly focuses on sustainable job opportunities for the unemployed and includes women entrepreneurs as one of the target groups. Moreover, the family code policy was revised in 2000, which has the provision for women to have collateral to gain access to finance, to strengthen their bargaining position within the household and their ability to pursue economic opportunities (Hallward-Driemeier & Gajigo, 2015; Kumar & Quisumbing, 2015).

Second, access to bank loans for young and smaller firms remains a top obstacle for all entrepreneurs in Ethiopia (World Bank, 2015). Small and Medium-sized Enterprises (SMEs) are not properly served by financial institutions, because Micro Financial Institutions (MFIs) mostly focus on the micro-enterprise segment and commercial banks devote most of their resources to large enterprises. Like other countries, there is the "Missing Middle" in Ethiopia (World Bank, 2015). Two initiatives specifically address the "Missing Middle" for women entrepreneurs. The Women Entrepreneurship Development Project (WEDP), backed by the World Bank's fund for the poorest countries, provides a special line of credit for urban women entrepreneurs forming and developing a venture in the formal SME sector. In addition the "Enat Bank", a bank established by women investors in Ethiopia, offers access to credit for those women who do not have the financial capacity and assets to submit collaterals. Enat means "mother" in Amharic, one of the major Ethiopian languages. Other than these initiatives, the traditional social capital rotating savings and credit associations called "Equb" are the most prevalent form of informal financial institutions in Ethiopia. Most large and medium-sized Equb members choose Equbs over possible alternatives because they are less expensive and involve very small transaction costs, if any (Bisrat, Kostas,

& Feng, 2012). In practice, many women entrepreneurs in Ethiopia rely on Equb or depend on personal savings and family support for start-up finance (Solomon, 2010; Stevenson & St-Onge, 2005).

Third, an Entrepreneurship Development Program (EDP) launched by the partnership between the Government of Ethiopia and United Nations Development Program (UNDP) is involved in building the capacity of entrepreneurs by providing innovative entrepreneurship training programs and customized business development. This project also supported five public universities in setting up Centers of Excellence in Entrepreneurship in 2014. Here, women entrepreneurs' associations and the Chamber of Commerce are playing roles in building capacities, facilitating network platforms and creating networks with stakeholders. They are also involved in supporting and promoting their members to the export market.

Finally, as indicated in other African countries, women entrepreneurs look at their spouses for business advice, support, and encouragement and they consider the effects that forming a venture may have on their spouses (Kirkwood, 2009). Moreover, literature on women entrepreneurship also indicates social, cultural, and institutional arrangements also frame not only how women perceive opportunities and make strategic choices, but also how these women and others view their businesses (Brush, Bruin, & Welter, 2009; Baughn, Chua, & Neupert, 2006).

Motivation Theory

Much of the entrepreneurial motivation researchers categorize motivation of entrepreneurs to form and develop a venture as opportunity-driven or necessity-driven (Reynolds, Bygrave, Autio, Cox, & Hay, 2002). Opportunity entrepreneurs refer to those who start a business in order to pursue an opportunity, while necessity entrepreneurs refer to individuals who are pushed into entrepreneurship because all other options for work are either absent or unsatisfactory. However motivation literature suggests that even externally-driven motivation such as necessity-based may be internalized and integrated in time to the extent of developing passion for the entrepreneurial task (Ryan & Deci, 2000). That is, if a woman internalizes and integrates the value of a venture, entrepreneurship cannot be deemed a necessity, even if the start-up decision might have been necessity-based.

Moreover, Williams and Williams (2012) suggest that although locality impacts motivation, motivations are not fixed and evolve over time. It is also argued that motivation directs action and is

constantly subject to change in light of experimentation and learning and that entrepreneur motivation is situated in career, household and business life courses (Jayawarna, Rouse, & Kitching, 2013). Moreover, little research examines the motives of entrepreneurs beyond opportunity recognition (Carsrud & Brännback, 2011). Hence in the current study, we apply SDT for improved understanding of motivation to form and develop a venture, with a special interest in how motivation changes in relation to the entrepreneurial ecosystem. Motivational change over time is central to SDT which proposes that people may endorse more than just one type of motivation when engaging in an activity over time (Vallerand, Pelletier, & Koestner, 2008). The more the person has a sense of autonomy and experience, the confidence and competence to change the more likely to succeed is the behavior change (Ryan, Lynch, Vansteenkiste, & Deci, 2010).

Self-determination Theory

SDT focuses on the degree to which an individual's behavior is self-motivated and self-determined (Deci & Ryan, 1985a; 2002). Researchers have also indicated that entrepreneurial behavior is primarily a self-determined behavior; that is, individuals decide for themselves what courses of action they will follow (Shane & Venkataraman, 2000).

The distinction between motivations within SDT started out as intrinsic and extrinsic motivations (Deci & Ryan, 1985a). Intrinsic motivation refers to doing something because it is inherently interesting or enjoyable, while extrinsic motivation refers to doing something because it leads to a separable outcome (Deci & Ryan, 1985a). Besides intrinsically motivated behavior people are inclined to internalize and integrate within themselves the regulation of activities that were initially prompted and/ or regulated by external factors. According to the degree to which the behavior gets integrated and internalized, they have proposed four types of extrinsic motivation: (1) External regulation: behavior performed to get an external reward, avoid a punishment or to comply with social pressures. (2) Introjected regulation: behaviors are performed to avoid negative feelings such as guilt or shame by not doing it. (3) Identified regulation: when one personally endorses or identifies with the value or importance of a behavior. (4) Integrated regulation: when a person not only values a behavior, but also aligns it with other central values, and becomes part of the person's sense of self (Deci & Ryan, 2008; Gagné & Deci, 2005; Ryan & Deci, 2000). External regulation

and introjected regulation are often considered as controlled types of motivation, whereas identified regulation and integrated motivation are forms of autonomous motivation (Ryan & Deci, 2000) (Figure 2.1). To the far left of the figure is amotivation which refers to a complete lack of motivation or lacking intention to act.

Considerable research in other domains such as education, sport, religion and work have supported the validity of the motivation continuum (example, Vallerand & Fortier, 1998; Wilson, Rodgers, & Fraser, 2002; Ryan, Rigby, & King, 1993; Gagne et al., 2010). The more the regulation of an activity is internalized, the more the activity will be enacted in a psychologically-free and volitional manner (Ryan & Deci, 2000; Ryan & Connell, 1989). Moreover, autonomous motivation (intrinsic, integrated regulation and identified regulation) predict greater task persistence, performance, creativity, and psychological well-being (Ryan & Deci, 2000). This implies that the more entrepreneurs are autonomously motivated, the stronger their interest, commitment and efforts to make the business succeed and grow.

Furthermore, a sub theory of SDT, Cognitive Evaluation Theory (CET) (Deci & Ryan, 1985a; Ryan & Deci, 2000), is concerned with contextual factors that support or thwart autonomous motivation. CET proposes that events and conditions that enhance a person's sense of autonomy, competence and relatedness support autonomous motivation; whereas, factors that diminish perceived autonomy or competence undermine autonomous motivation. For example, in family business literature, it has been found that parental relational support and adolescent's perceived entrepreneurial competence predict autonomous motivation, whereas parental control related to introjected motivation (Schroder & Schmitt-Rodermund, 2013).

Moreover a second sub theory of SDT, Causality Orientation Theory (COT) (Deci & Ryan, 1985b) describes individual differences in people's tendency to orient toward environments and regulate behavior in various ways. It is reasonable to expect that different individuals could interpret the same environment context situation as either autonomy supportive or con- trolling depending on their unique dispositional tendencies. In sum, SDT provides a framework for understanding motivation and suggests a causal explanation for autonomously starting a business as explained through the satisfaction of basic physiological needs. In entrepreneurship literature it is also suggested that the extent to which

entrepreneurs' ventures fulfill the needs defined by SDT will contribute to their intrinsic and extrinsic motivation levels (Carsrud et al, 2009). Thus, this study applies the theory with the premise that a woman entrepreneur in Ethiopia is autonomously motivated to form and develop a venture because she finds the entrepreneurial activity enjoyable and derives satisfaction from it, or has internalized the value of the venture depending on how well it assimilates with her existing self-regulations, such as values, interests and ideas that she already holds. Further the study assumes that perception of self and the entrepreneurial ecosystem are the most important factors for facilitation of internalization of venture through satisfaction of the basic physiological needs for autonomy, competence and relatedness of the woman entrepreneur. Hence, central to the current study is the research question: How do types of motivation develop for women entrepreneurs to form and develop a venture in the entrepreneurial ecosystem of the formal sector of the economy of Ethiopia?

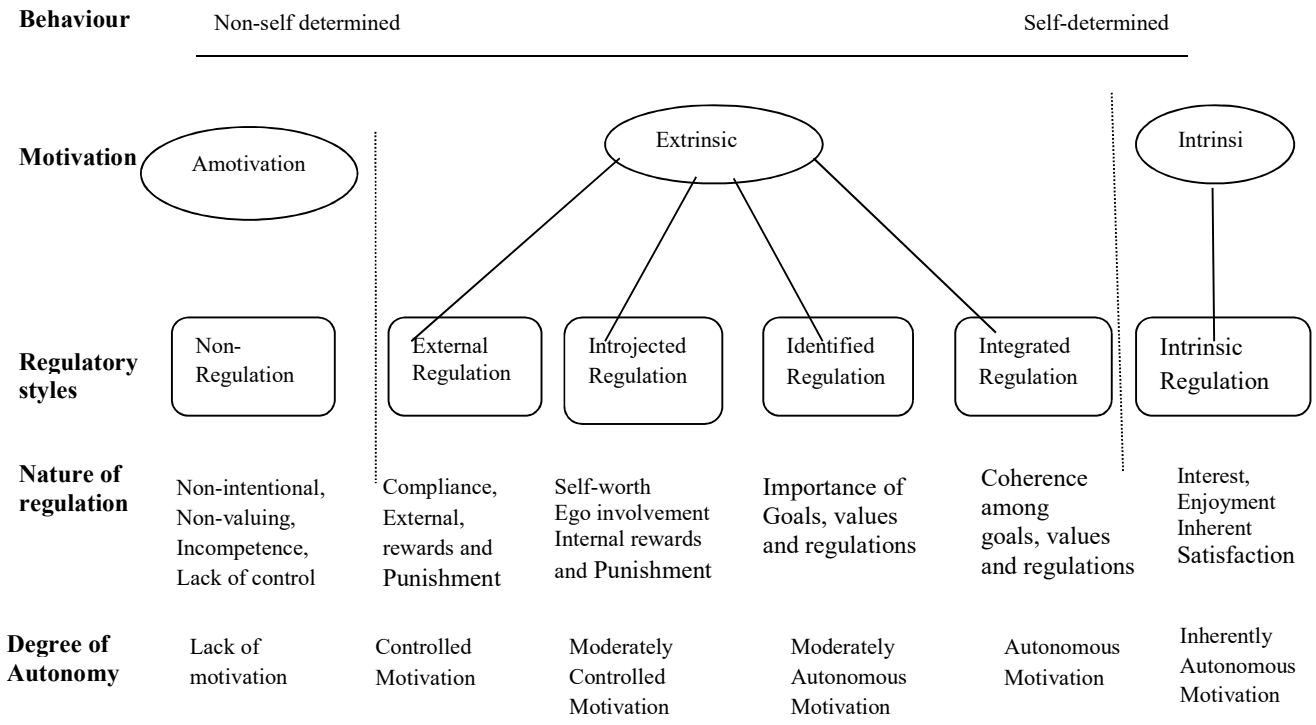

Figure 2.1 the self-determination continuum showing type of motivation with regulatory styles, nature of regulation and degree of autonomy. Adapted from Ryan and Deci (2000, p. 72) and Gagne and Deci (2005, p. 336).

Research methodology

A qualitative approach is important to explore the more silent, feminine, personal end of entrepreneurship (Bird & Brush, 2002). Qualitative methods also have particular strengths in discovering the underlying causes of behavior (King, 2004). As a result, the study used semi-structured interviews with women entrepreneurs and applied a qualitative content analysis method to analyze the data (Hsieh and Shannon, 2005).

Sample and procedure

The study was conducted in Addis Ababa, the capital city of Ethiopia. The study focused on this city because it is populated with people from different ethnic groups and it is a place where various kinds of female-run businesses are found. Eighteen women entrepreneurs who are owners of their current businesses in the formal sector of the economy were selected and interviewed, using a mixed approach of purposive and snowball sampling techniques (Patton, 2002, p. 243). We identified these entrepreneurs in two ways. First, we contacted three different women entrepreneurs associations in Addis Ababa to get members' contact details and the business sectors they are involved in. A total of ten participants were willing to be interviewed. Four of the participants were from the Addis Ababa Women Entrepreneur Association (AAWEA) whose members are engaged in various micro and small enterprises; three were from the Ethiopian Women Exporters Association (EWWA) consisting of women involved in exporting flowers, coffee, leather, textile and handicrafts; and three were from the Association of Women in Business (AWiB), a networking platform of mid- level career women and business owners with a majority having a college diploma and above.

Second, we used snowball sampling by asking the respondents at the end of their interviews to recommend other women entrepreneurs. These sampling approaches provided data from diverse cases in different business sectors, and age groups ranging from 28 to 55, with businesses ranging in age from six months to 21 years, as presented in Table 2.2.

Data collection

Data collection was conducted using semi-structured, face-to-face interviews, with questions developed in advance. The first author and another researcher on women entrepreneurs from the same institute

conducted the interviews at the places where the participants run their businesses. The author conducted the interview and the other researcher took detailed notes without actively participating. Multiple interviewers separate the active listening and note-taking roles, and achieve greater consistency across interviews (Bechhofer, Elliot, & Mc Crome, 1984).

Table 2.2 Participants' background

Characteristics	**Number**
Total number of participants	18
Age	28-55
Marital status	
Married	16
Single (not married)	2
Education	
Primary education	1
High school education	3
College diploma	5
University degree	9
Type of business [a]	
Manufacturing and construction	2
Designer (traditional cloth) & exporter	3
Beauty salon and training center	1
Service (consultancy, guest house, yoga…)	6
Retail and wholesale stores	6
Food processing and catering	1
Small scale production (leather products and jam)	2
Age of business	
1 year or less	1
2 -5 years	7
More than 5 years	10

a: Three of the participants have two types of businesses.

The interviews progressed as follows. The first narrative question was, "Please tell me your back history before you started your business". This question allowed the women entrepreneurs to tell their story from childhood to the starting of the business, describing their socialization, interests, and values and the reason for starting the business. Then the next questions were: "What motivated you to start the business?", "Why did you decide to choose this particular business?", "And what does the business mean to you?" The aim of the last question was to draw out the motivational change overtime. The participants were also asked questions regarding their initial and current business goals, and the major challenges they

encountered in starting and running their businesses. At the end, they were asked to share their overall experiences in forming and developing their venture. The interviews lasted from 30 minutes to one hour and 15 minutes. They were audio-recorded, transcribed, and then professionally translated from Amharic (the lingua franca of Ethiopia) into English.

Data analysis

Data analysis was done using a directed approach to content analysis (Hsieh & Shannon, 2005). The goal of a directed approach to content analysis is to validate or extend conceptually a theoretical framework or theory (Hsieh & Shannon, 2005). Initially, categories were identified by reading and becoming familiar with the data using SDT (Potter & Levine-Donnerstein, 1999). Then definitions of each of the regulatory styles drawn from SDT literature were used to ensure consistent coding. Descriptive codes were used in relation to the SDT continuum: reasons intrinsic to the business; reasons that are integral to the self; reasons congruent with beliefs and values. These then evolved throughout the coding process as the data analysis helped to refine these. Two of the authors coded the data independently to ensure inter-rater reliability. On the completion of the coding, the two authors compared notes and, when coding differences existed, discussed until a consensus was attained. Every time the definition was revised, the data were reviewed and re-coded whenever necessary.

Findings

Analysis of the data yielded 11 categories that the participants discussed in relation to forming and developing their venture. Those participants who find doing business interesting and derive spontaneous satisfaction from the value of the venture, are those who are intrinsically motivated. On the other hand, those participants who are extrinsically motivated, need some separable consequence for doing business (for example, doing what one loves to do, or fulfilling a desire); those consequences are considered as the source of satisfaction and not doing business itself. Intrinsically motivated participants form and develop a venture as an end in itself (Carsud et al., 2009), whereas in extrinsic motivation, forming and developing a venture is a means to an end.

Consequently, ten of the categories could be mapped onto five forms of motivation described in SDT, as presented in Table 2.3. The quotes for the last category dealing with change in motivation over

time are stated in detail in the last paragraph of this section. Direct quotes from participants are included to illustrate each finding, with the participants identified as "ID-Education-Business age".

Table 2.3 Different types of motivation for forming and developing venture categorized according to the Self-Determination Theory (SDT)

Type of Motivation According to SDT	The Self-determination Continuum	Quotations
Autonomous motivation	Intrinsic motivation	• *I was also involved in different activities such as helping my husband with his business, and working in my own photography and event organizing business. Doing business used to make me happy. .. I used to start one business and when that failed, I used to move on to another one. [P06—Masters-2 years]* • *My mother was a business women, maybe it's because I was raised in a system of the family that does business. I started doing business when I was a student… I save the money I was given for snacks … I mean I came from poor family but I save what they give and I buy things with the money and bring it back and sell it to them for profit. [P17-Bachlor's Degree-4 years]*
	Integrated regulation	• *I started the designing business because I had love for the job …. I had big dreams to make designs and have fashion shows and make clothes [P07-Diploma-2 years]* • *My interest was to engage in a work that would let me interact with people … But in the work I am engaged in now, I can have an impact in changing people's lives…So I see my work as something that helps a person make a change in his/her life. This makes me happy and that is why I decided to engage in the business. [P09-Masters- 6 months].* • *The thing that motivated me to join this business was my inner passion. Being women, we always go to the supermarket to shop, right? And every time I went to the market, I was amazed by the things I saw. Our country has a lot of resources… why do we bring in bottled jam from outside? The question "why don't we do it ourselves?" was always in my head. .. It was in the planning for a long while, but it has been in the market for two years.* *[P04-Diploma-2 years]*

	Identified regulation	• *After working in a construction company for several years I decided to have my own business. After working for many years you develop interest to be independent and be your own boss.* *[P11-Bachlor's degree-4 years]* • *…two things. First I had my first baby and I had a base in Psychology and I know what it means to be there as a mother… giving time for your kids is a basis for their future"… The second thing was, I was working in an NGO and I didn't like the system [P18-Masters-7 years]*
Controlled motivation	Introjected regulation	• *It wasn't from me…I used to work on Sundays and I always helped him (spouse) out after work but it was difficult moving completely… Because I used to work in the UN and quitting that job was (laughs).. …But I finally decided to move.* *[P16 –Bachelor's Degree-4 years]* • *I had no such purpose when I got into the business it was a mere accident. As I told you the business was my spouse's and I got into it because I had to do something at that time.* *[P02-High school-13 years]*
	External regulation	• *…the maximum amount of salary for a Masters graduate was not satisfactory. At that time I had three children, there was also their education and all of them came here [city-- Addis Ababa]. And he (her spouse) also left his job there and came over here. Since nothing could support all these, I started thinking of minor income-generating endeavors of packing and selling butter. [P13-Masters-9 years].*

Self-Determination continuum of intrinsic motivation

For some participants doing business is interesting and enjoyable; hence, those participants were intrinsically motivated. The example of P06 in Table 2.3 supports the view that once entrepreneurs have had the stimulation of starting firms, they frequently return to that behavior because of intrinsic motivation and the internal and external rewards they received from their behavioral patterns of the past (Carsrud & Brännback, 2011). Similarly, P17 (Table 2.3) with a family entrepreneurial role model who also said "I think business is something within me", has developed an interest in doing business since childhood.

Integrated regulation

Integrated regulation appears to be conceptually very close to identified regulation. As a result, much empirical research on other domains didn't include integrated regulation in their study (for example, Vallerand et al., 1992; Gagne et al., 2010). However, in our study, there are examples where the venture is highly valued and meaningful for the participants P07, P09 and P04 (Table 2.3) to do what they love to do or to fulfill their desire in life or to fulfill a passionate goal. For these participants, the source of satisfaction is not merely running a business but that they created the venture to do what they love to do or achieve a passionate goal (for example, to be successful in designing). When the object of interest (in this case the venture) is highly valued and meaningful, one is inclined to internalize the valued object, to make it part of herself (Deci et al., 1994).

Identified regulation

On the other hand, for P11 and P18 (Table 2.3), the venture is a means to be independent or to avoid unpleasant situations at the workplace. A fundamental belief in independence enabled the entrepreneurs to behave autonomously and to have the confidence in their ability to form and develop a venture. Even though these participants are extrinsically motivated to create a venture, they have identified deeper values and meanings in the venture. This is similar to the process of identification described in SDT through which people identify with the value and importance of behavior for the self-selected values (Ryan & Deci, 2000).

Introjected regulation

In contrast to the above participants, P16 (Table 2.3) resigned from a well-paying job to engage in her husband's venture since he expected her to work with him and help in expanding the venture. This woman was happy with her previous job but she decided to join the business so as to not dis- appoint her spouse and to avoid negative feelings. Similarly, P02 (Table 2.3) took over her husband's business since he wanted to create a new venture in another sector. She accepted it because she couldn't get another job and felt she has to do something to support her spouse. According to SDT, introjected regulation refers to internalization in which the woman "takes in" a value of regulatory process but doesn't identify with and accept it as her own (Deci, Eghrari, Patrick, & Leone, 1994).

Externally regulated

P13 (Table 2.3) decided to form and develop a venture since it is the only means that is available to generate extra money for the survival of her family and for her children's education.

Overall, the findings in this SDT continuum broadly support the distinction of five forms of behavior regulation experienced in different ways. However, the interview also highlighted that motivation could change over time.

Motivation change overtime

The study explored changes in motivation over time by asking participants different questions such as "What does your business mean to you now?" For example, P02 who was initially motivated to take over her husband's business by the least internalized form of extrinsic motivation, introjected regulation, mentioned:

> *I am happy I am involved in running a business. Even though it gets difficult at times, I enjoy the experience . . . It's now that I have grown and matured that I know the value of everything I am doing. When I started, I had no idea what I was getting myself into. [P02 – High School –13 years]*

This supports the previous studies which have indicated that self-employment that began as a reluctant choice may evolve into a desirable alternative over time (Granger, Stanworth, & Stanworth, 1995; Hinz & Jungbauer-Gans, 1999). Participant P02 has developed competence by working in the venture for 13 years and she mentioned that she has a great support from her spouse.

If a potential woman entrepreneur gets supports from important people in her life like a spouse, she starts to develop confidence and self-efficacy and to perceive herself as competent and autonomous. Moreover, as the following quote illustrates, if left to their own choice, individuals have a natural tendency to internalize regulation to the extent of developing entrepreneurial passion.

> *I don't like to hear the word retirement . . . I feel like I would die if I stopped working on this venture because I love it to death . . . so minimizing the kind of work that stresses me, I'd like to keep*

working on this job for as long as it's humanly possible . . . I see my business like a child I raised. [P10 – Degree –21 years]

This also supports the view that entrepreneurs often describe their businesses as their "babies", expressing personal connection and even identification with their businesses (Cardon, Zietsma, Saparito, Matherene, & Davis, 2005). At the beginning, this participant was motivated to form the venture to do what she loves not because she loved to do business. She mentioned:

When I came here I thought even if I wanted to get hired . . . there is no factory that could hire me. There are no factories which do what I do. If I could have found such a factory I could have considered getting hired . . . In the US, I worked in a small factory and I learned everything in detail . . . I just said I should go and do my own thing. I had no choice. [P10 – Bachelors' Degree - 21 years]

Entrepreneurial passion is aroused not because some entrepreneurs are inherently disposed to such feelings, but rather because they are engaged in something that relates to a meaningful and salient self-identity for them (Cardon, Foo, Shepherd, & Wiklund, 2009). Overall, internalization may progress incrementally over time, but not necessarily. People can readily internalize any new behavior at any level, depending on prior experience and current context (Deci & Ryan, 1985a). As illustrated by the examples in this chapter, entrepreneurial passion can be internalized relatively deeply from the onset, depending on the woman's autonomy orientation toward the social and business environment and fulfillment of her psychological needs for autonomy, competence and relatedness.

Discussion

The findings of this study provided support for the existence of the five different types of motivation suggested by SDT. The findings under autonomous motivation (intrinsic, integrated, and identified) are closely associated with opportunity type motivation. The primary difference in the application of SDT is how motivated women entrepreneurs are. The categorization of motivation depends on the degree of internalization of the value of the venture indicating the magnitude and intensity of the motivation. As

research in other domains showed, the significance of the distinction is that intrinsic and more internalized forms of extrinsic motivation (identified and integrated) predict persistence and adherence which is advantageous for effective performance, especially on complex or heuristic tasks that involve deep information processing or creativity (such as forming and developing a venture) (Deci & Ryan, 2008); and are negatively associated, for example, as indicated in turnover intentions at work (Millette & Gagné, 2008). In the entrepreneurship literature, it is proposed that entrepreneurs who are fired by passion evidence behavioral engagement in entrepreneurial activities that is characterized by creative problem solving, persistence, and absorption (Cardon, et al., 2009; 2012). Yet creativity alone is not enough, it needs to be complemented with personal initiatives (Rank, Pace, Frese, 2004). Persistence has been also shown to be particularly important in entrepreneurship (Shane et al., 2003).

Moreover, the findings in this study provide an explanation for the view that motivations are not fixed and evolve over time (Williams & Williams, 2012; Stephan, Hart, & Drews, 2015). According to SDT, individual differences and the social and environmental context contribute to the satisfaction of basic psychological needs (competence, authority and relatedness), which facilitate internalization and integration of externally driven motives (Ryan & Deci, 2000; Deci & Ryan, 2008). In contrast, it is likely that some social and business environment factors diminish perceived autonomy or competence, which undermines autonomous motivation over time.

Based on SDT and its sub theory, CET, our study is intended to provide practical implications of how social agents and entrepreneurial ecosystem players such as government, financial service providers, capacity and business skill developers, non-governmental organizations, investors, academia, women entrepreneur associations, and the Chamber of Commerce in Ethiopia can facilitate women entrepreneurs' autonomous motivation in forming and developing their ventures by creating an entrepreneurial eco-system that allows women to satisfy their basic psychological needs.

The first need, perceived autonomy, refers to the need to feel that one's behavior is personally endorsed and self-initiated (Ryan & Deci, 2000). For example, people are autonomous when they do something they find interesting or personally important (Ryan, 1995). Strategies for enhancing autonomy by ecosystem players include eliciting and acknowledging women entrepreneurs' perspectives, supporting

their initiatives, offering choice about doing what they are competent in, and providing financial access, resources and information, while minimizing pressure and control. Women set their business objectives and growth expectancies based on different socialization experiences, hence, autonomy support from social agents and ecosystem players should focus on a more autonomous support approach in order for women to realize the foundation and development of ventures to their full potential.

The second need, perceived competence, shows strong parallels to Entrepreneurial Self Efficacy (ESE). ESE refers to individuals' confidence that they can successfully accomplish entrepreneurial tasks. It reflects the prior education and/or business experience of the individual that relates to dealing with risk, making autonomous decisions, communicating with customers, dealing with suppliers, and so on (Douglas, 2013). A developed educational system can ensure a steady supply of people with the requisite knowledge and skills to undertake entrepreneurial ventures (Kuratko 2005; Lima, Lopes, Nassif, & Silva, 2015). However, in Ethiopian universities classroom teaching and evaluation methods are dominant in entrepreneurship courses (Tessema, 2012). Dedicated training packages can also be more effective as was recognized by two interview participants in the current study who took part in the EDP training program designed to develop their entrepreneurial behavior as the following quotation from one of the participants illustrates:

> *This program makes you initiate your entrepreneurial skills, it's an eye-opener, and I was trained in the first program that was launched. [P13 – Masters 9 years]*

Hence, both training and education are important since a lack of them is not only problematic for raising skill levels, but also results in lack of confidence and changing women's perceptions of themselves. Their self-perceptions are key given that in the society they exist in they have to go against the tide of cultural values and attitudes to become entrepreneurs (Kelley, Brush, Greene, Litovsky, 2013).

The third need, relatedness, refers to the individual's need to relate to other individuals and groups, to affiliate with and to engage in discourse and social interaction with others (Deci & Ryan, 1985a; Gagné & Deci, 2005). In the context of entrepreneurship, social relationships influence opportunity

identification by affecting both access to information and the cognitive properties needed to value it (Shane & Venkataraman, 2000; Shane, 2012). In Ethiopia, social networking is mainly perceived as a vehicle enabling women to countervail resource scarcity and environmental adversity by means of personal connections. Relatedness is expressed by behaviors such as involvement, caring, helping, supporting, giving advice, and encouraging (Ryan & Deci, 2000). Hence, if a potential woman entrepreneur sees that her autonomy-supportive significant others believe in her idea, then she begins to believe more strongly in her confidence and competence to form and develop a venture in accordance with her personal values and interests. Many interviewed women mentioned the importance of support from their husbands and family. So, part of the ecosystem, such as the media, should also focus on educating men that women could be excellent entrepreneurs provided that they get an autonomy support. Moreover, women entrepreneurial associations are important to facilitate network platforms and in creating networks with stakeholders to satisfy the need for relatedness.

Overall, supporting those autonomously-driven women entrepreneurs to form and develop ventures in what they are competent in and based on their own choice will motivate various possible target women groups, each with different contributions to make to the country's economy and welfare. For example, education programs that equip women with the ability to start and grow businesses provide career options they can consider at any point in their lives (Kelley et al., 2015). The impact of education on performance is more pronounced in female-owned businesses than in male- owned ones (Chirwa, 2008). Banks could also follow the practice of Enat Bank for women entrepreneurs to get easy access for loans.

Finally, SDT proposes that motivational change is not an all-or-nothing process but rather something that takes place through a number of successful interactions with the environment that are repeatedly internalized in the self (Vallerand et al., 2008). Moreover, the more the person has a sense of autonomy and experience and the confidence and competence to change, the more likely the behavior change is to succeed (Ryan et al., 2010). Hence, as Koltai (2014) points out, women entrepreneurship development rests on the premise that no single factor alone moves entrepreneurship forward. Rather, women entrepreneurs thrive when multiple sectors and actors consciously work together to satisfy their psychological needs for autonomy, competence and relatedness. Psychological need satisfaction is an

important base for persistence and adherence that are advantageous for more viable and innovative women's entrepreneurial activity.

Limitations and future research

Although the findings of this study are noteworthy and provide important practical implications that may support women entrepreneurship development, some limitations need to be taken in to consideration. First, the findings deserve more research attention, as this study's scope does not allow the researcher to determine social and business environmental factors that diminish perceived autonomy or competence, undermine autonomous motivation, and shift the focus of motivation towards an external control over time. For instance, Cardon et al. (2009) suggest that whether entrepreneurial passion remains stable or is "lost" depends on variability in differing levels of passion entrepreneurs have for different role identities: inventor identity, founder identity and developer identity. Further, they suggest, the passion experience facilitates an entrepreneur's efforts to adapt and cope with environmental challenges though this does not presume that the resulting adaptation and coping are necessarily functional.

Second, the sampling technique and the qualitative analysis do not allow us to generalize the findings of this study to the whole population of women entrepreneurs in Ethiopia and in other ecosystem contexts. However, to our knowledge no study has used SDT to explore the motivation of women entrepreneurs in the context of the entrepreneurial ecosystem. The findings offer some insights which warrant further investigation and which could have important implications for SDT research in women entrepreneurship.

The reasons revealed in this study could in turn be used as items for adapting the self-regulation questionnaire (for example, Ryan & Connell, 1989; Gagne et al., 2010) in future research to examine gender difference in motivation for forming and developing ventures. We also suggest future research to examine the extent to which the entrepreneurial ecosystem satisfies individual's basic psychological needs, for example, using the basic Psychological Needs Scale (Kasser, Davey, & Ryan, 1992). Moreover, future research on the relation between autonomous motivation and performance is in particular useful for designing a more effective development program for enhancing intrinsic motivation and well-internalized

forms of extrinsic (identified and integrated) motivation that are associated with better performance and greater well-being (Ryan & Deci, 2000).

Conclusion

In this study, self-determination theory was used as a guiding framework to understand the motivation of women entrepreneurs and the influence of the entrepreneurial ecosystem in the satisfaction of basic psychological needs for autonomy, competence, and relatedness of the women entrepreneurs. An ecosystem that supports these needs facilitates intrinsic and well-internalized forms of extrinsic motivation that are associated with a base for persistence and adherence and are advantageous for more viable and innovative women's entrepreneurial activity. Practical implications are provided on how policies and programs to support them should also focus on strengthening autonomous motivation, which contributes to women's venture success and growth.

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Chapter 3. Dreams and reality: Autonomy support for women entrepreneurs in Ethiopia

Atsede T. Hailemariam, Brigitte Kroon and Marc van Veldhoven

Abstract

In some societies the supportive features of social and cultural contexts determine whether a woman experiences autonomy in starting and fostering her own business. This study aims to integrate, from a theoretical perspective, the influence of socio-cultural contexts on experience of satisfaction of psychological needs for autonomy, competence, and relatedness in the entrepreneurial activity of women entrepreneurs. According to self-determination theory, an autonomy-supportive socio-cultural context prompts or facilitates the satisfaction of basic psychological needs, whereas a controlling socio-cultural context frustrates the satisfaction of those needs. Qualitative analysis of interviews with 18 women entrepreneurs in Addis Ababa (the capital of Ethiopia) revealed that women entrepreneurs experienced autonomy support and control in 3 types of power relations – gender role, parent-child relationship, husband-wife relationship – and in religious affiliation.

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Introduction

Dreaming about being an entrepreneur is one thing; making your dream a reality and becoming an entrepreneur requires initiative and persistence to overcome barriers. This is especially true for women entrepreneurs in sub-Saharan Africa (SSA) such as Ethiopia. Due to the traditional social role for women that prescribes subordination rather than the practice of autonomy, Ethiopian women operate their business under intense workloads and financial and other constraints. Although women entrepreneurship in developing countries is promoted as a policy vehicle to promote the well-being of families, to empower women, to achieve gender equality, and to reduce poverty (De Vita, Mari, & Poggesi, 2014; Minniti & Naudé, 2010), policy making that attempts to change the formal institutions of society without taking steps to adjust the informal institutions that reinforce the traditional gender role for women will have only marginal success (Thornton, Ribeiro-Soriano, & Urbano, 2011). Specifically, gendered socio-cultural patterns influence whether a woman aspires and has the opportunity to be an entrepreneur in her society (Holland, 2014).

Becoming an entrepreneur involves an autonomous action, the success of which will depend on the persistence with which it is performed. Autonomous functioning is dependent on the satisfaction of basic psychological needs for autonomy, competence, and relatedness (Deci & Ryan, 2002). However, the challenges and barriers arising from gendered social and cultural contexts compromise the experience of satisfaction of basic psychological needs in women's entrepreneurial activity, which limits autonomous functioning as an entrepreneur (Hailemariam, Kroon, & van Veldhoven, 2017). Thus, the aim of this paper is to integrate the influence of socio-cultural contexts on satisfaction of basic psychological needs in women's entrepreneurial activity.

According to SDT three basic psychological needs are innate and universal for all human beings, and the satisfaction of those needs is an essential nutrient for optimal performance and well-being of individuals (see Deci & Ryan, 2000, for a review). Those three are the need for autonomy, competence, and relatedness. The more satisfaction of these needs individuals feel when participating in economic activities, the more productive, innovative, and persistent those people will be (Ryan & Deci, 2017). Also

well-being is indicated to be essential for the proactive behavior needed for business success (Hahn, Frese, Binnewies, & Schmitt, 2012).

SDT suggests that basic psychological needs can be easily frustrated as well as easily supported by social contexts (Ryan & Deci, 2000, 2008). Autonomy-supportive social contexts prompt or facilitate the satisfaction of the needs for autonomy, competence, and relatedness. In contrast, controlling social contexts thwart or frustrate the satisfaction of those needs (Ryan & Deci, 2000, 2008). For example, controlling socio-cultural contexts limit the exercise of autonomy for women entrepreneurs through the norms and beliefs of those who take care of them (Brush, De Bruin, & Welter, 2009). This is because in their entrepreneurial activity women are confronted with power holders in the household, the local community, and the society as a whole which are often hidden "gatekeepers" of resources (Brush, De Bruin, & Welter, 2009). Consequently those power holders can either promote or hinder motivation, behavior, and internalization processes through the satisfaction or frustration of the individual's basic psychological needs (Deci & Ryan, 2000, 2008; Ryan & Deci, 2017).

A previous study conducted on women entrepreneurs proposed that social agents that support the satisfaction of needs for autonomy, competence, and relatedness facilitate intrinsic motivation and the internalization and integration of extrinsic motivation (Hailemariam, Kroon, & van Veldhoven, 2017), which influences autonomous entrepreneurial behavior. The current study extends this research on need satisfaction by examining not the consequence of satisfaction of those needs but the influence of socio-cultural contexts on the satisfaction of those needs in entrepreneurial activity. It contributes to filling in the gap in the study of the influence of socio-cultural factors on enterprise development in general and on women entrepreneurial activities in developing countries in particular (De Vita, Mari, & Poggesi, 2014). Both entrepreneurship practitioners and public policy makers have shown a growing interest in the contextual factors that affect entrepreneurial activities (Thornton, Ribeiro-Soriano, & Urbano, 2011; Welter & Smallbone, 2011). Thus, this study will provide further insight into practical interventions that support women in Sub-Saharan Africa who dream of having and running their own businesses but find resistance in their socio-cultural environments. In the following sections, descriptions of basic psychological

needs, the support of autonomy, and the socio-cultural context for women entrepreneurs in Ethiopia will be provided.

Literature Review

Basic Psychological Needs

Self-determination theory predicts that the fulfillment of the basic psychological needs for autonomy, competence and relatedness is a prerequisite for experiencing volition in behavior (such as entrepreneurial behavior). The first need, autonomy, is defined as the need to act with a sense of choice and volition (Deci & Ryan, 2000). Entrepreneurial activity is important for satisfaction of autonomy (Rauch & Frese, 2007). For example, women entrepreneurs engage in entrepreneurial activity to satisfy their needs for autonomy by doing what they love to do and to fulfill desires according to their values (Hailemariam et al., 2017).

Second, competence is the need to have a sense of confidence and efficacy in one's actions (Deci & Ryan, 2002). Entrepreneurial competencies refer to the total ability of the entrepreneur to perform a job role successfully (Man, Lau, & Chan, 2002). Hence, women entrepreneurs who engage in entrepreneurial activity gain confidence, skills, and entrepreneurial competencies and develop feelings of competence along the way.

Lastly, the need for relatedness refers to feeling personally accepted by and important to others, taking care of others and feeling cared for in return (Deci & Ryan, 2000). Relatedness is expressed by behaviors such as involvement, caring, helping, supporting, giving advice, and encouraging (Ryan & Deci, 2000). In the context of the entrepreneurial process the need for relatedness is manifested in the desire to interact collegially with customers, suppliers, and co-workers in a satisfying way (Douglas, 2013). Although relatedness and competence are widely recognized as basic needs, scholars have questioned the importance, even the existence, of autonomy in collectivistic cultures like Ethiopia (Iyengar & DeVoe, 2003; Markus & Kitayama, 1991). They argue that people in collectivistic societies mostly seek to satisfy the need for relatedness, whereas autonomy would represent individualism and independence, which are mostly Western values and

thus predict the behavior and well-being only of individuals raised in accord with those values. However, the need for autonomy in SDT does not imply a need to act independently from the desires of others; rather, it implies the need to act with a sense of choice and volition (Deci & Ryan, 2000). People thrive when the behavior they engage in originates from experiencing autonomy within themselves (Deci & Ryan, 2000). It has also been suggested that autonomy is important for entrepreneurs (Cromie, 2000; Rauch & Frese, 2007). Hence, autonomy is an essential nutrient for women entrepreneurs to act according to their own choice, interests, and decisions. Moreover, if they are afforded opportunities for autonomy, they will more likely feel psychologically free and able to find or create opportunities to also satisfy their needs for relatedness and competence (Deci & Ryan, 2014). The satisfaction of these needs contributes to behavioral engagement (in this study autonomous entrepreneurial behavior) because it provides energy and direction, which in turn leads individuals to sustain the same behavior (Deci & Ryan, 2012). Research in the work domain has pointed out that basic needs satisfaction is positively related to job satisfaction and affective commitment and negatively related to turnover intentions and work-family conflict (Van den Broeck, Ferris, Chang, & Rosen, 2016) and is an underlying mechanism for employees' thriving at work (Van den Broeck, Vansteenkiste, De Witte, & Lens, 2008).

Thus this study is based on the premise that women entrepreneurs are more likely to engage in autonomous entrepreneurial behavior when they can freely choose to pursue an entrepreneurial activity and make their own decisions (need for autonomy), when they master entrepreneurial competencies (need for competence), and when they feel connected and supported by significant people, such as suppliers, bankers, and employees, as well as parents, spouse, and institutions (need for relatedness).

The support of autonomy

SDT proposes that the social context influences the satisfaction of basic psychological needs. Social contexts that prompt or facilitate the satisfaction of basic psychological needs are referred as autonomy-supportive social contexts, and those that thwart or frustrate the satisfaction of the needs are described

as controlling social contexts (Ryan & Deci, 2000, 2008). As presented in Figure 1, basic psychological needs play a mediation role in the socio-cultural context – autonomous functioning relation.

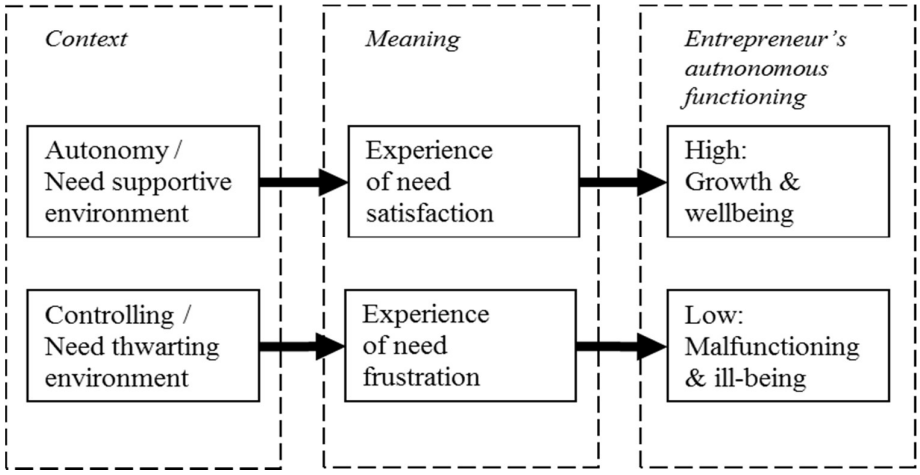

Figure 1: Self-determination theory view on the role of need satisfaction and need frustration. Adapted from Vansteenkiste and Ryan (2013).

Autonomy-supportive events in people's lives encourage the process of choice, avoid controlling behavior (Reeve, Jang, Hardre, & Omura, 2002), and provide informational feedback (Ryan & Deci, 2006) and shared decision making (Reeve, Bolt, & Cai, 1999). SDT addresses this issue of autonomy-supportive events primarily by focusing on authority-subordinate relationships in which one person (i.e., a parent, teacher, boss, or husband) has power over another (i.e., a child, student, employee, or wife) in either supporting or undermining the personal autonomy of those in their care (Deci & Ryan, 1985a). In particular, socio-cultural factors enacted in parent-child relationships, husband–wife relations, social status and power, and political/economic systems have been found to limit entrepreneurship in SSA (Takyi-Asiedu, 1993).

However, since psychological meaning is vulnerable to individual dispositional tendencies, different individuals could interpret the same events as either autonomy-supportive or controlling depending on their unique inclinations. A sub-theory of SDT, causality orientation theory (COT) describes how individuals differ in their tendency to orient towards certain environments, their interpretation of those environments as more or less supportive of basic needs satisfaction, and the various ways by which behaviors are regulated (Deci & Ryan, 1985b; Deci & Ryan, 2000). People's early social experiences can

influence the development of their causality orientation, thus making them vary in terms of orientation towards being autonomously self-regulated or being regulated by the environment (Gagné, 2003; Van den Broeck, et al., 2008). For example, research in the work domain shows that employees' autonomous causality orientation and their perceptions of their managers' support of autonomy independently predicted the satisfaction of the employees' basic psychological needs (Baard, Deci, & Ryan, 2004). This implies that the causality orientation of women entrepreneurs in similar socio-cultural contexts may differ depending on their social experiences.

Socio-cultural context in Ethiopia

Traditionally, the social order in Ethiopia is dominated by men. The socialization process, which determines gender roles (Eagly, Wood, & Diekman, 2000), is partly responsible for the subjugation of women in Ethiopia. Girls are socialized to be more obedient and dependent, to restrain their activities to household chores such as cooking, to avail themselves for marriage, and to cater to household needs in later years (Hirut, 2004). This pattern is repeated in socialization mediums such as elementary textbooks and in the media, which maintains and reinforces the existing traditional cultural, social, and economic order in society (Gebregeorgis, 2016; Jemaneh, 2013). Moreover, in their marriage women are expected to show the utmost respect and submission to their husbands, a trend that has also found justification in religion and has been maintained for centuries (Biseswar, 2008).

However, since the existing political regime in Ethiopia (i.e., from the early 1990s), the gendered socio-cultural contexts for women entrepreneurs in Ethiopia are slowly changing. To promote the position of women in general, a national policy on women was formulated in 1993 with the aim of creating equitable and gender-sensitive public policies including the enhancement of girls' education. However, researchers have noted that women still face problems due to traditional male and female power relations (Central Statistical Agency & ICF International, 2012). Even among university students a patriarchal gender culture in some higher institutions exposes women to sexual harassment, violence, and prejudice and to low expectations from male peers (Molla, 2013). A lack of education is not only problematic for raising skill levels, but it also results in a lack of confidence and changes women's perceptions of themselves. Their

self-perceptions are of paramount importance, given that they have to go against the tides of cultural values and attitudes to become entrepreneurs (Kelley, Brush, Greene, & Litovsky, 2013).

Another important change is evoked by the growth of the private sector in Ethiopia, which gained more prominence after the fall of the socialist "Derg" regime in 1991. To promote the growth of micro enterprises and small establishments, the government developed a policy that has improved the climate for entrepreneurship in Ethiopia. However, despite the growing number of initiatives aimed at promoting entrepreneurship and empowering women in the process, the socio-cultural environment is still not sufficiently encouraging women in setting up and developing enterprises in Ethiopia. Compared to their male counterparts, even more educated women entrepreneurs operating their businesses in urban areas face additional challenges due to vulnerability to crime and corruption and lack of access to finance (World Bank, 2009). This illustrates that although these educated women entrepreneurs are willing and capable of running businesses, they face challenges in the process of selecting markets where they can be successful in their efforts (World Bank, 2009).

Overall, the socio-cultural context has a significant impact on women's career progress in Ethiopia (Mekonnen, 2017). By zooming in on women entrepreneurs in the formal economy in Ethiopia, we aim to answer the research question: What are the autonomy- supportive/controlling socio-cultural contexts that facilitate/ undermine the satisfaction of needs for autonomy, competence and relatedness in entrepreneurial activity of women entrepreneurs in Ethiopia?

Research methodology

There is a broad consensus that qualitative studies are preferred when tackling social phenomena, in order to obtain rich details that are essential to the research process (Bansal & Corley, 2011). Especially in the still exploratory phase of research on women entrepreneurship in developing countries (De Vita et al., 2014), and given the complexity of the topic, well-structured qualitative research plays a great role in understanding the peculiarities of this phenomenon (Henry, Foss, & Ahl, 2016). Hence, this research used semi-structured interviews with women entrepreneurs and applied thematic analysis (Boyatzis, 1998; Braun & Clarke, 2006) to analyze the data.

Samples and procedure

The interviews were conducted in Addis Ababa, the capital city of Ethiopia, because this city is populated with people from different ethnic groups and it is a place where various kinds of female-run businesses can be found. Nineteen women entrepreneurs who are owners of their current businesses in the formal sector of the economy were selected and interviewed, using purposive and snowball sampling techniques (Patton, 2002). Purposive sampling is useful to identify participants from different backgrounds and different sectors. As a result, the sample resulted in diverse cases in different business sectors, with ages of interviewees ranging from 28 to 55 and businesses ranging in age from 6 months to 21 years.

Data collection

Semi-structured, face-to-face interviews were conducted and audio recorded at the places where the participants run their businesses by two researchers, the first author and another researcher on women entrepreneurs from the same institute doing research on work-life boundary management. One researcher conducted the interview and the other researcher took detailed notes without actively participating, because when interviewers separate the active listening and note-taking roles, greater consistency across interviews is achieved (Bechhofer, Elliott, & McCrone, 1984).

The first narrative question was "Please tell me your back history before you started the business." This question allowed the women entrepreneurs to tell their story from childhood to the starting of the business, describing their socialization and the events and learning experiences they acquired in life prior to starting the business. Subsequent questions regarding support, opportunities, and challenges in entrepreneurial activity as well as their social and family responsibilities were asked. At the end they were asked to share their overall experiences in starting and running their business. The interviews lasted about 30 minutes to 1 hour and 15 minutes.

Data analysis

To facilitate data analysis, the audio recordings were transcribed verbatim and then professionally translated from Amharic, the lingua franca of Ethiopia, into English. The analysis was then conducted using a combination of both inductive and deductive thematic analysis procedures described by Braun and Clarke (2006). First, familiarization with the data entailed reading the transcripts carefully to become familiar with the depth and breadth of the content, as well as identifying and recording potentially interesting features

of the data, relevant to the research question. Second, initial codes were generated based on the research question and the literature review. Three of the transcripts were then coded independently by the first and second authors. On the completion of the coding, the two authors compared notes and, when coding differences existed, discussed until a consensus was attained. A new coding framework was then developed with more clearly and explicitly defined codes in order to apply the codes in a consistent way. Using this coding framework, all transcripts were then coded manually. Third, the codes that were similar or connected to each other were organized together to form themes. The coded sections of the interviews were then collected and placed under appropriate themes. Fourth, the themes were revised to ensure each theme captures the most important features of the coded data relevant to the research question. Fifth, four themes relating to women entrepreneurs' experiences of the socio-cultural context as autonomy-supportive versus controlling were defined and named as follows: 1) Gender role, 2) Parent-daughter relationship, 3) Husband-wife relationship, and 4) Religious affiliation.

Findings

The interviews with the women entrepreneurs revealed various descriptions of autonomy-supportive versus controlling socio-cultural contexts that play a role in their satisfaction versus frustration of needs for autonomy, competence, and relatedness. Direct quotes from participants are identified in the following way: "ID-Marital status-Education."

Gender role

Ethiopian households are composed of a nuclear family and extended family members including maids. As the following quote illustrates, women are primarily expected to fulfill domestic roles such as caring and nurturing household members.

> *Tell me, who else is there other than the women for the house? Honestly. Men are very lucky. [P07-Married-Diploma]*

This quote illustrates the uneven distribution of domestic responsibilities. The society expects women to give priority to family responsibilities.

If a man works and earns money nobody says anything to him, but if a woman strives and earns money society raises the issue like 'How could it be?' Sometimes, when a business opportunity has a negative effect on your marriage, there comes a tendency to drop it in order to protect your family. [P13-Married-Master's]

You know women with a high success rate aren't married or don't live with their family [divorced]. And the thing that pops in my mind is why family and marriage. You know marriage is considered as a bump in the pursuit of education or career ….As a matter of fact, if we give more attention to family, it will end up benefiting us. [P04-Married-Diploma]

As the above quotes illustrate, societal expectations limit women entrepreneurs' choice (autonomy) in balancing work and family responsibilities. On the other hand, for some women entrepreneurs, extended family members can play a role as a resource for entrepreneurship (need supportive) by contributing financial resources, physical work, and emotional support.

All four [of my employees] are [family]. One [brother] works as a driver and the other works as an assistant. There is also my cousin. In the new taxi I bought, he works as a driver and [another cousin] as an assistant. My dad collects the money. All of them get paid for their work. I pay them all for their hard work. They take care of my property as if it is their own. [P12-Married-Elementary school]

Extended family members and maids also play a role in supporting domestic responsibilities. Overall due to socially determined gender norms, roles, and responsibilities, related family members and society as a whole play a role in supporting or frustrating needs satisfaction in entrepreneurial activity by providing/limiting autonomy in the work-family balance.

Parent-daughter relationship

Parents use their power over children to influence their education and career choice. In situations such as a scarcity of resources, parents give priority to boys' education over girls' education. For example, as the following quote illustrates, girls are expected to drop out of school and take care of their siblings.

> *Since my mother died I had to take care of my brothers. I quit school when I was young…. I'm only 2 years older than my brothers. [P19-Married-10th grade]*

Parents can also influence their daughter's education choice.

> *In particular my father, who is an educated person, used to encourage me to continue my education and earn a degree. [P05-Married-High school]*

> *They (parents) told me to leave my training (technical school) and go for something professional like accounting and so on, as that will allow me to get employed. [P01-Married-Diploma]*

About 30 years ago, due to the Marxist economic policy of the government, Ethiopian society regarded entrepreneurship as an appropriate career choice only for people who were uneducated. Hence, as the above two quotes illustrate, some parents direct their own wishes upon their daughters to get employed in governmental or non-governmental organizations.

Daughters who perceive their parents as controlling may feel pressured to engage in a career or activities that do not reflect their true preference (low autonomy satisfaction) and may feel insecure about their ability to deal with challenges effectively (low competence satisfaction). Daughters who are autonomously oriented consider the advice as a parent's dream of a good life for their daughter and act independently to engage in business.

> *You see…I understood the concerns people had as them considering only what was best for me. People do not expect a Master's graduate to be involved in business. Their expectation is to see*

graduates getting a job or being employed in big organizations like non-governmental organizations. This is what success in life means to a family. [P06-Married-Master's]

On the other hand, parents involved in a business promote affective commitment in child-successors by supporting their psychological needs for competence, autonomy, and relatedness within the family business (McMullen & Warnick, 2015).

My parents and my brothers are all involved in business, and as a youngster I hated going to school. As soon as I graduated from high school I engaged in the family business. [P05-Single-High school]

Furthermore, family entrepreneurial role models can have an impact in creating confidence and avoiding fear of failure for a woman in making a decision to start a business. Confidence in one's ability is congruent with satisfaction of the need for competence in entrepreneurial activity (McMullen & Warnick 2015).

My grandmother, who was a successful businesswoman, used to tell us instead of getting hired and earning 100 Birr (about $50 at the time) a month, it is better to have your own business… [P10-Married-Bachelor's degree]

Overall, as the above quotes illustrate, parents and close family members can be either autonomy-supportive or controlling in their daughter's choice of career and in satisfaction of needs (autonomy, competence and relatedness) to engage in entrepreneurial activity.

Husband-wife relationship

Husbands can either thwart or support their spouses' entrepreneurial aspirations by allowing or withholding financial means. Securing money was a problem for a number of respondents. For example, one woman who is a professional accountant operating in the construction sector mentioned:

I was the one who was involved in managing the financial aspect of the enterprise of my husband before starting mine. But my husband is a bit difficult regarding how I invest money in my enterprise

development. He puts pressure on me… Not only he, but other people also, put pressure on me by saying, 'Why do you have to spend his money unnecessarily?' [P11-Married-Bachelor's degree]

Moreover, due to the traditional view of women as being subordinate to their husbands and of men as providers, the provision of the family policy by the government that ensures autonomy of property rights for women is often not applied in practice. This is because properties are registered in the male spouse's name, and major decisions including finance and property are mostly made by husbands. As one of the participants mentioned, these practices hinder some women from getting loans from banks. All banks in Ethiopia require businesses to offer assets as collateral for a loan. Due to this, women face challenges in accessing loan from banks to start their own business without the support of a partner (World Bank 2009).

When you go to banks they ask you for assets for a collateral loan. Your husband may have used the assets to get a collateral loan for starting another business. This means even if I need the money I cannot get it. [P06-Married-Master's]

Further, due to their socialization experience the type of business most women usually engage in, such as processing and packing traditional spices and food, is assumed to be only for those who are not educated.

At the beginning, I faced a lot of problems due to the societal assumption that only those people who did not attend schools do business… My husband and I used to argue about why I got interested in starting a business that involves preparing wot (a sauce or curry), having studied to get a Master's degree. [P06-Married-Master's]

This type of feedback regarding women's entrepreneurial activity in a judgmental way undermines the need for competence and autonomy, as people are autonomous when they do something they find interesting or personally important (Ryan, 1995). Moreover, some husbands refuse to allow their wives to

start or develop their own businesses. For example, a participant who joined an organization that supports poor girls and women in becoming self-employed mentioned the following.

> *When I was accepted by the organization there were a lot of issues. For example, I was married and had two children. My husband was not happy, and I had a lot of problems where I was even severely beaten when I went out to attend training. [P19-Married-10th grade]*

This participant also mentioned that due to fear of such violence she was not able to participate in an event that was organized to award women entrepreneurs where she was one of the award winners. However, not all women perceive their husbands as controlling. Some participants in our study acknowledge their husband's financial and emotional support in starting and developing their businesses. The following is an example of a participant who returned to Ethiopia after working in the United States:

> *By the way, he's (husband) very generous [Laughter], so my husband isn't that much concerned about money. It's mostly I who say, 'No, it's enough! We shouldn't buy this and that…' … You see, I say, 'We need to have security, money we can rely on in case of an emergency, so let's set some money aside and save it.' [P10-Married-Bachelor's degree]*

Autonomy-supportive husbands provide capital, encourage self-initiative, and give feedback in non-judgmental way, and show their genuine affection and concern.

> *I mean my husband supports me very much… Very very much! Through ideas, finance…. The capital in starting the business was very high, so he used to give me moral support and say "Be strong, be courageous… there will always be ups and downs but don't worry."*
>
> *[P04-Married-Diploma]*

This kind of support helps a women entrepreneur to build competence and satisfy her needs for relatedness. The thread of relational issues in the husband-wife relationship strongly affects the experience of autonomy in entrepreneurship. To sum up, due to the gender role and subordination of women in Ethiopia, parents, husbands, and extended family members can play a role either by providing or

controlling financial autonomy, participation in decision making, labor, emotional support, genuine affection, and concern in entrepreneurial activity. To further understand support/controlling contexts in satisfying/thwarting needs for autonomy, competence and relatedness in entrepreneurial activity of women, an additional source for autonomy- support/controlling was found in the interviews: religious affiliation.

Religious affiliation

Religious affiliations were expressed in half of the interviews with comments such as "Thanks to God," "God's will," "with the help of God," and "God's gift." Some participants linked their achievement of goals and their skills to the calling or will of God. Some mentioned that they are more morally dedicated and motivated because of their religious affiliation, as the following quotes illustrate:

> *Well I have many strategies. First of all, I pray. I believe in God, [and] I believe that God will help me, so I give up my ideas and plans to him. That is the first thing. [P04-Married-Diploma]*

> *But I already said earlier, God is the one that helps me. And one doesn't take rest because one earned a lot. If God blessed what I had, that is great. If he gives me health and I work, that is my goal. [P19-Married-Bachelor's degree]*

The following quote supports the view that there is a relation between religiosity and feelings of guilt (Francis & Jackson, 2003), which is controlling behavior.

> *If I keep running it as I am running it now, I am going to disappoint both God and other people. The bible says 'Render unto Caesar the things that are Caesar's and unto God the things that are God's.' [P02-Married-High school]*

Clearly, one's religious beliefs have an effect on the way one interprets their circumstances in life, and one's interpretation of their socio-cultural environment as being autonomy-supportive or controlling could understandably be affected by those beliefs as well.

In summary, the findings indicate that women entrepreneurs in Ethiopia are not a homogeneous group. Their perception of the socio-cultural context as autonomy-supportive versus controlling depends upon their socialization experiences, casualty orientation, their families or husbands' background, and their religious affiliation.

Discussion

The purpose of this study was to explore the autonomy-supportive versus controlling socio-cultural contexts in supporting versus frustrating women's basic psychological needs satisfaction for autonomy, competence, and relatedness in entrepreneurial activity. The findings indicate that women experience autonomy-supportive and controlling events in their gender role, in the relationships with their parents and their spouse, and in religious affiliation.

The socio-cultural context enacts autonomy-supportive and controlling contexts through social agents (parents, spouse, extended family members, and society as a whole) who directly satisfy or frustrate the needs of women in their entrepreneurial activities. The findings support SDT's view that authority-subordinate relationships, in which one person has power over another, either support or undermine the personal autonomy of those in their care (Deci & Ryan, 1985a). Moreover, the fact of being subordinate to more powerful others in vertical systems presents a high likelihood of autonomy being thwarted by the controlling practices of powerful others, as does the relatedness need, because hierarchies often place limits on people with whom one can affiliate (Ryan & Deci, 2017).

Autonomy-supportive social agents who take care of women provide choices, information, resources, physical work, and emotional support that give a woman entrepreneur the chance to be autonomously motivated and be competent in her entrepreneurial activities. When the need for competence is satisfied, women entrepreneurs develop self-efficacy, the knowledge and skills involved in establishing and operating a new business. As Baughn, Cao, Le, Lim and Neupert, (2006) suggest, support from autonomous social agents is important to enhance competence for entrepreneurial activities and thereby satisfy needs for relatedness.

On contrast, controlling social agents that provide feedback on entrepreneurial activity in judgmental ways, or that deny autonomy in financial decision making and in choice of entrepreneurial

career, make a woman feel frustrated in her desires for autonomy and competence. When she gets frustrated, she feels incompetent and inadequate in entrepreneurial activity. Moreover, as scholars suggest, lack of legitimacy and low social recognition accorded to women entrepreneurship in developing countries (De Vita, Mari, & Poggesi, 2014) are among other factors that play a role in frustrating the autonomy and competence needs of women in their entrepreneurial activity. The findings support the view that women are deterred from entrepreneurship not only because they do not see entrepreneurship as consistent with feminine characteristics, but also because resource providers (e.g., lenders, suppliers, customers) and men in their lives (their partner, husband, father, and/or sons) do not associate entrepreneurship with feminine characteristics (Gupta, Goktan, & Gunay, 2014; Gupta, Turban, & Pareek, 2013).

Although the stereotypical gender role that ascribes house-bound and family-related roles to women (Ahl, 2006; Baughn, Chua, & Neupert, 2006) was recognized by the interviewed women, some women entrepreneurs experience a sense of agency that involves choice in meeting societal expectations (Miller, Das, & Chakravarthy, 2011). As a result, women entrepreneurs in Ethiopia integrate their businesses with family and social responsibilities (Gudeta & van Engen, 2017). However, if women entrepreneurs are under stress because of conflict from work or home, there is the likelihood that the needs of competence, relatedness, and autonomy satisfaction in entrepreneurial activity will not be met. For example, a recent review in the work domain shows that there is significantly negative relation between work-family conflict and autonomy need satisfaction (Van den Broeck, et al., 2016).t

Furthermore, the findings in this study indicate that domestic violence is one way of maintaining power in a relationship. Violence against women includes physical, sexual, and emotional abuse and controlling behaviors by an intimate partner (World Health Organization, 2012). Thus, domestic violence can have an effect on women entrepreneurs' decision making autonomy and freedom of choice on what, how, and when to operate their enterprises, and on retaining control over financial resources. It also restricts and subordinates women's participation in social networking activities that have an impact on relatedness and competence needs satisfaction in entrepreneurial activity. The findings show that additional support is needed for women to be able to break free in such extremely controlling contexts.

However, having a controlling socio-cultural environment that hinders the satisfaction of basic psychological needs may not discourage all women from forming and developing ventures. But it will surely reduce those who try to overcome the challenges they face from their socio-cultural environment. Autonomously oriented individuals experience less pressure in situations, and they are also more resilient to the pressures they do experience (Weinstein, Legate, Kumashiro, & Ryan, 2016). For example, participant P06 identified an opportunity even though the family frowned on her business initiative. A fundamental belief in independence can enable women to behave autonomously. In this regard, the finding supports the view that the decision to exploit an entrepreneurial opportunity is influenced by individual differences (Shane, Locke, & Collins, 2003; Shane & Venkataraman, 2000), which depend on an individual's understanding of the environment and their interaction within it (Carsrud, Brännback, Elfving, & Brandt, 2009).

Moreover, a remarkable finding is that about 50 percent of participants in this study intertwined their religious/spiritual beliefs into their entrepreneurial activities. Religious people may perceive the interpersonal style used by God as either relatively more autonomy-supportive or relatively more controlling (Soenens et al., 2012). In this vein, women entrepreneurs who perceive their relationship with God as autonomy-supportive voice for images of a relational God (God as provider and creator) fulfilling their relatedness needs rather than God as a ruler (Nguyen & Zuckerman, 2016). When the need for relatedness is satisfied, people feel connected to others who care for them. Thus, religious women entrepreneurs may be more likely to experience the interpersonal support necessary to take risks and enact their own autonomous motives.

In contrast, if one perceives God as controlling, one will likely feel pressured to adhere strictly to the principles imposed by God and religious leaders, leading one to interpret religious contents in a more literal way (Soenens, et al., 2012). Hence religion can act as an environmental munificence factor in the relationship between society, religion, and enterprise by supporting and strengthening (or weakening) the environment for entrepreneurship (Anderson, Drakopoulou-Dodd, & Scott, 2000).

To summarize, although to our knowledge no research has used SDT framework to explore a socio-cultural context in entrepreneurial activity of women, it seems theoretically reasonable to postulate that

autonomy-supportive social agents including those obtained from religious affiliation and an individual's autonomous orientation play a role in the satisfaction of women entrepreneurs' needs for autonomy, competence, and relatedness in their entrepreneurial activity (Figure 2). This remains to be validated, however. Moreover, while the findings of this study are noteworthy and provide important practical implications that may support women's entrepreneurship development, the fact remains that the sample is small and focused on women entrepreneurs in the formal sector living in an urban area, with a good majority having completed college education. Hence, further quantitative analysis needs to be conducted to investigate the influence of socio-cultural context on satisfaction of basic psychological needs in the entrepreneurial activity of women.

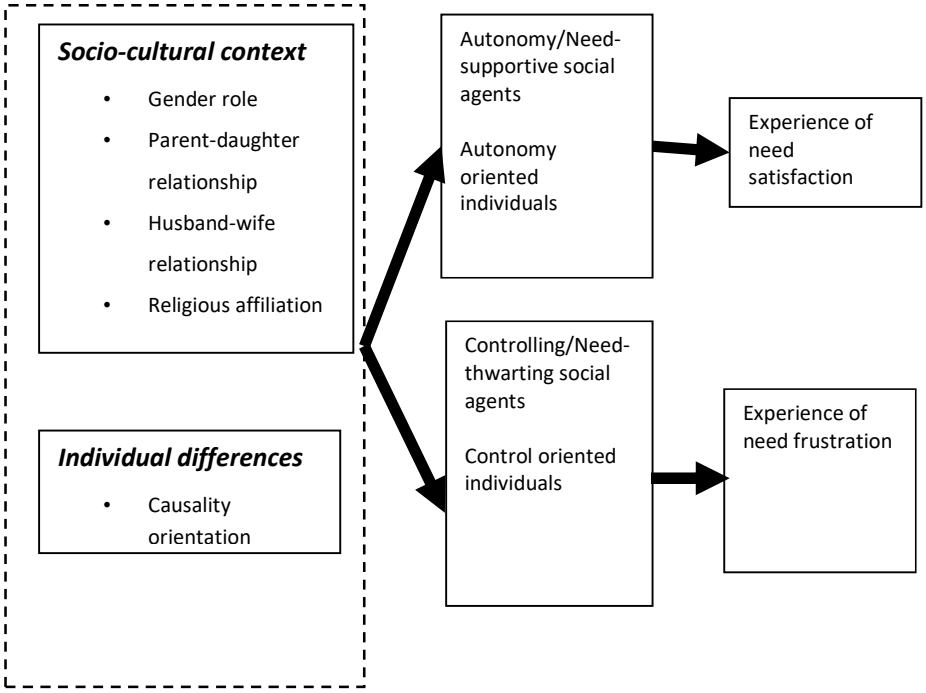

Figure 2: Conceptual model

Conclusion

This study offers an in-depth account of the role of autonomy-supportive and controlling socio-cultural influences on women entrepreneurs' satisfaction of basic psychological needs for autonomy, competence, and relatedness in their entrepreneurial activities. Autonomy-supportive socio-cultural contexts include social agents that encourage women to make their own choices in their career and to have decision making autonomy over their own and their household's economic resources that will help them in starting and

developing their businesses. They also provide them emotional and informational feedback in non-judgmental ways to make them feel confident and avoid the fear of failure in entrepreneurial activity. On the other hand, controlling social agents maintain and reinforce the existing male-dominated social and economic order. They constrain performance, restrict participation in social and entrepreneurial networks, and use threats of violence and abuse. As a result, they undermine the satisfaction of women entrepreneurs' needs for autonomy, competence, and relatedness in entrepreneurial activity.

The current women's entrepreneurship promotion and gender-sensitive policies in Ethiopia, such as family policy, undoubtedly help women to have autonomy in education, marriage, and property rights. However, in the gender biased socio-cultural context in which women entrepreneurship is embedded, efforts may continue to be futile. Controlling environments, whether they are familial, institutional, cultural, economic, or political, interfere with wellness and happiness because they influence the satisfaction of needs for autonomy, competence, and relatedness (Deci & Ryan, 2000; Ryan & Deci, 2011). Hence, government regulations and programs can be evaluated with respect to their effectiveness at supporting the satisfaction of those needs in women's entrepreneurial activity. It is important to have more awareness and gender sensitization programs and advocacy at both the policy and grassroots levels. Suitable information, education, and communication campaigns should be promoted by stakeholders to deal with the social structures and traditional practices challenging the enforcement of legal policy measures (Ogato, 2013). Moreover, women entrepreneurs' networks must be well organized. These organizations can deeply support satisfaction of the basic psychological needs in the entrepreneurial activity of their members by developing an awareness of women's subordination and by building their capacity to challenge and negotiate the socially and culturally constructed traditional gender ideologies.

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Chapter 4. Redefining success beyond economic growth and wealth generation: The case of Ethiopia

Atsede T. Hailemariam and Brigitte Kroon

Abstract

Atsede T. Hailemariam and Brigitte Kroon explore the meaning of success for female Ethiopian entrepreneurs. Taking a contextually embedded approach using qualitative data and considering structural, familial and cultural constraints, the authors challenge the notion of the underperformance of women entrepreneurs by highlighting how various female entrepreneurs define success. They explain that women entrepreneurs evaluate success in business both in financial and non-financial terms. While some women entrepreneurs define success as achieving self-fulfillment and in terms of their contribution to society and family, others emphasize communal and religious values in their definition of success. It tends to be the young, educated females and those who have experience and operate more than one business or engage in male-dominated sectors who define their success in terms of profit and growth. The implication for policy-makers relates to the need to pay more attention to the heterogeneity of women entrepreneurs and to non-financial measures of performance as they design policy and support programs to create an entrepreneurial ecosystem that is conducive to entrepreneurship.

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Introduction

Entrepreneurship research and policy formulation share a discourse of economic growth and individualism, where female entrepreneurs and their business are seen as underperforming (Marlow & McAdam, 2013). However, such studies neither highlight the complexity of the female entrepreneurship experience in the socio-economic context nor illustrate the influence of specific cultural, legislative, and economic factors on women's entrepreneurial endeavors (Henry, Foss, & Ahl, 2016). More than half of all women entrepreneurs in Ethiopia often face gender-related challenges in establishing new businesses as well as in operating or expanding existing businesses (Amha & Ademassie, 2004).Their businesses are particularly disadvantaged with regards to access to finance, skills, government support, and the conversion of profit back into investment (Bekele & Worku, 2008; Belwal, Tamiru, & Singh, 2012; Singh & Belwal, 2008).

In particular, challenges that disadvantage women entrepreneurs are found in the culture, religion, and tradition (Bekele & Worku, 2008). Family responsibility, household obligations and lack of support constrain them in confronting these challenges (Belwal et al., 2012). Moreover, in a country like Ethiopia, with no social care system, women play a central role in the extended family. Overall, familial, structural, and cultural constraints have impacts on performance of female-owned businesses. Thus, as Marlow and McAdam (2013) put forward, women-owned businesses demonstrate constrained performance but not underperformance. Hence, a crucial step before concluding that the majority of women entrepreneurs are underperforming is to understand what success in business actually means to the women entrepreneurs themselves within the socio-economic context in which they operate their businesses.

There is some recognition that entrepreneurs' evaluations of success go beyond economic returns (Wach, Stephan, & Gorgievski, 2016) and that success in business cannot be equated simply with firm performance or with financial rewards (Sarasvathy, Menon, & Kuechle, 2013). Moreover, comparing micro and small enterprises' success only along the female-versus-male-owned nexus may generate an impression of 'false universalism' that ignores the heterogeneity of small firms managed by women entrepreneurs (Marlow & Patton, 2005).

Women entrepreneurs are a heterogeneous group differing in where they live, their level of education, their experience, and their networks. Although reports on women entrepreneurship in sub-

Saharan African such as Ethiopia indicate that most women-owned businesses operate in the informal sector of the economy based on a necessity to survive (GEM, 2013), a new class of women who are starting their businesses by their own choice rather than out of necessity in the formal sector of the economy is steadily growing in Ethiopia. Despite the financial, cultural, and other disadvantages they face, these women entrepreneurs create significant numbers of employment opportunities for others (ILO, 2003). What distinguishes these women from those operating necessity-motivated ventures is the element of choice: they choose to be an entrepreneur in order to do what they love most or to achieve independence and to fulfill their values, ambitions, and desires in life (Hailemariam, Kroon & Van Veldhoven, 2017). Hence, financial performance measures alone do not capture their perception of success, as their success criteria are tightly related to their motivation to become an entrepreneur in the first place (Buttner & Moore, 1997).

Overall, the motivation and goals for getting into and staying in business, in combination with socio-cultural attributions like family values, influence how this specific group of women entrepreneurs define business success (Toledo-López, Díaz-Pichardo,Jiménez-Castañeda, & Sánchez-Medina, 2012). The research presented in this chapter explores how women entrepreneurs in the formal sector of Ethiopia's economy define success in their own terms. By attuning the meaning of entrepreneurship to women's experiences, greater credibility and legitimacy can be afforded to their entrepreneurial activities (Ahl & Marlow, 2012). Moreover, when various aspects of success beyond economic growth are known, identification with entrepreneurship may be easier for women and it may become a more socially desirable career to them. An understanding of the diversity of women entrepreneurs' definitions of success and how this is related to their goals and experience are also vital for government and donors offering support for potential or existing women entrepreneurs.

The context for women entrepreneurs in Ethiopia

The revised Micro and Small Enterprise (MSE) development strategy and policy initiated by the Ethiopian government in 2011 has mainly focused on sustainable job opportunities for the unemployed. It includes women entrepreneurs as one of the target groups. The government also initiated a National Policy on Ethiopian Women in 1993, with the aim of eliminating gender and cultural biases that hinder women from

participating equally in the economic development of the country. Moreover, the family code policy revised in 2000 aims to eliminate a husband's ability to deny permission for his wife to work outside the home, and requires both spouses to agree in the administration of family property.

Although there is considerable variation within Ethiopia, the global gender gap report 2015 (World Economic Forum, 2015) ranks Ethiopia at number 124 in the list of 145 countries in terms of the magnitude and scope of gender disparities, which shows for example the unbalanced ratio of male to female school attendance. In particular, the patriarchal gender culture in higher-educational institutions exposes female students to sexual harassment and violence and to prejudice and low expectations from male peers (Molla & Gale, 2015).

Overall, the nature of violence against women in Ethiopia is strongly related to cultural beliefs. Women are expected to show the utmost respect and submission to their husbands and to take on the caring and household responsibilities. This tendency also finds justification in religion and has been maintained for centuries (Biseswar, 2008). However, despite all the challenges, the condition of women is not homogeneous in Ethiopia. Many women are able to overcome the structural barriers they face, to actively participate in economic activities. Hence, the way in which a woman entrepreneur in Ethiopia defines her success depends upon her gendered socialization, her motivation, her background, and her value priorities.

The definition of business success

Motivation and goals for getting and staying in business and socio-cultural attributions such as family values influence how women entrepreneurs define business success (Toledo-López et al., 2012).The importance attached to specific business-success factors varies with the heterogeneity of industry sectors (Wach et al., 2016) and the age of business owners (Warr, 2008).For example, career prospects and high income are especially valued by younger people who have not yet acquired material goods and related status (Warr, 2008).On the other hand, increasing age is associated with a value shift away from extrinsic towards intrinsic and generous motives, helping other people and contributing to society (Kooij et al., 2011; Lang & Carstensen, 2002).

How small business owners define success also varies greatly depending on the type of business and on the owner's value priorities, including the reason for starting the business. Personal values are found to be drivers behind business owners' choice of success criteria (Gorgievski et al., 2011). Personal values are desirable goals, varying in importance, that serve as guiding principles in people's lives. People pursue qualitatively different types of goals which will lead to considerably different outcomes (Deci & Ryan, 2000). Self-determination theory (SDT) categorizes goals into intrinsic and extrinsic goals. Intrinsic goals include feelings of community, affiliation, health, and self-development, while extrinsic goals include image, financial success, and appearing physically attractive (Kasser & Ryan, 1993; 1996; 2001).SDT also posits that the social context that exists in the family, cultural values, and economic system affects whether people's life goals or aspirations tend to be more intrinsic or more extrinsic, which in turn affects important life outcomes (Deci & Ryan, 2012).

In summary, because entrepreneurs often pursue goals beyond economic gains (Jennings & Brush, 2013), they have their own perceptions of what success means to them. They can regard themselves as successful, even if (looking from the outside with economic growth and profit measures) their businesses have attained different levels of success (Simpson et al., 2004). Hence, entrepreneurial success is a multi-dimensional construct that is best captured by more than financial and economic indicators (Fisher et al., 2014). Entrepreneurial values contain various indicators of success, such as firm performance, workplace relationships, personal fulfillment, community impact, and personal financial rewards (Wach et al., 2016). Building on this notion of different dimensions of success, the qualitative research presented in this chapter explores how women entrepreneurs in Ethiopia define success in their own terms.

Research methodology

Qualitative case studies, narratives or interpretive studies help to shed light on the actions and efforts in entrepreneurship that are unique to women (Brush & Cooper, 2012). Therefore, we used semi-structured interviews with women entrepreneurs who own small firms and applied a qualitative content analysis method to analyze the data (Hsieh & Shannon, 2005).

The study was conducted in Addis Ababa, the capital city of Ethiopia, because the city is populated with people from different ethnic groups and because various kinds of women-run businesses are found

there. Eighteen women entrepreneurs who are owners of their current business in the formal sector of the economy were selected, using a mixed approach of purposive and snowball sampling techniques (Patton, 2002). To identify the first group of participants, four different women's associations in Addis Ababa were contacted. Respondents were then asked at the end of their interview to recommend other women entrepreneurs. The women entrepreneurs included in this study operate in different business sectors, their ages range from 28 to 55 years, and the ages of their businesses range from six months to 21 years.

Data collection and analysis

Data collection was conducted using semi-structured face-to-face interviews, with questions developed in advance. The interview protocol was piloted to ensure that the interviewees fully understood the questions and there was a logical progression in the sequence of questions and answers (Patton, 1987). The first author of this chapter and another female researcher on women entrepreneurs from the same institution conducted the interviews at the place where the participants run their businesses. The author conducted the interview and the other researcher took detailed notes without actively participating. All participants were assured that under no circumstances would their personal identity or business name be identified. The interview lasted about 30 minutes to one hour and 15 minutes. Interviews were audio-recorded, transcribed, and then professionally translated from Amharic (the lingua franca of Ethiopia) into English.

Two of the authors of the study then independently content-analyzed each interview transcript. This was done by initially identifying categories by reading and becoming familiar with the data and using the literature review. Then the authors coded the data independently according to the predetermined categories. After the completion of the coding, both authors compared notes and, when coding differences existed, discussed until a consensus was attained. Some categories were revised, removed, and added during this procedure. Data that could not be coded into one of the predetermined categories was coded with new categories. After the coding process the categories were used to construct a set of thematic charts (Ritchie et al., 2013). The analysis was then conducted through a within and cross-case approach, which is the most appropriate technique for exploring relationships among different cases (Eisenhardt & Graebner, 2007).

Findings and discussion

The interviews with the women entrepreneurs revealed various descriptions of what success meant to them. The data analysis yielded five categories of success criteria that the participants in this study used to define their success in business: (i) financial success, (ii) profit and growth, (iii) stakeholder satisfaction, (iv) self-fulfillment, and (v) societal contribution. Table 1.1 shows the categories with the corresponding descriptions. In this section direct quotes from participants are presented to illustrate each category of success definition. Participants are identified as '(Type of business–Age – Education).'

Table 1.1. Categories and descriptions

Category	Description[a]

Financial success	• To generate income
	  – for a better life and education for children
	  – to sustain the business
	  – to be financially independent

Growth and profit	• To modernize and grow traditional food processing • To maximize profit • To create more employment opportunities • To grow by expanding the business
Stakeholder satisfaction	• To satisfy employees • To satisfy customers
Self-fulfillment	• To do what I love to do, to be passionate and creative • To be proud by introducing culture and tradition or by seeing people using products marked as 'made in Ethiopia'
Social contribution	• To contribute to my country • To help others • To contribute to my religion

Note: a. The descriptions are the abbreviated versions of what the participants expressed as definitions of success.

Financial success

Financial success was referred to as income generated from the business. Although it frequently appeared as an indicator for success, none of the participants used it as the sole indicator of their success. Rather, they perceived financial success primarily as a vehicle to advance their families and to fulfill their own psychological needs for autonomy and relatedness (Deci & Ryan, 2008; Ryan & Deci, 2000). For example,

one of the participants who said 'It's not about the money for me, it's when people love what I do' mentioned the importance of the financial success as follows:

> *I want a better life … [Ehhh] and to educate my kids, to work hand in hand with my husband and to attain success….You see, I say (to spouse). We need to have security, money we can rely on in case of an emergency, so let's set some money aside and save it.'(Traditional cloth and accessories designer – 50 – Bachelor's degree)*

This quote illustrates that even some women who are motivated to start a business for reasons other than necessity reinvest a big proportion of their earnings from the business in their families. This may be due to the societal expectation that ascribes women to take the role of caring and household responsibility. In most African societies, women are seen to exist not for themselves but for the collective, and are expected to sacrifice their own well-being for that of the community as a whole and the family in particular (Biseswar, 2008).

Similarly, another participant, whose first definition of success was 'doing something that makes people happy also makes me happy,' mentioned the importance of financial success as follows:

> *I don't measure my success financially; however, the business has to survive at least to support itself. (Yoga and massage – 37 – Master's degree)*

For this participant, the survival of the business was important to fulfill her intrinsic need. On the other hand, some women needed the income generated from the business to become autonomous. By becoming finically independent they could fulfill their needs and help others. Within most Ethiopian households, the head alone (almost always a man) administers key decisions on major expenditures. Women who bargain in overt ways and confront their husbands during household decision-making are often threatened with or face marital dissolution (Fafchamps & Quisumbing, 2005). Consequently, one way of maintaining power in a relationship is to retain control over financial resources. In addition, men's violence can restrict and subordinate women's participation in societal institutions. The following quote

from one of the participants illustrates that the financial success of her business is important for the financial freedom it provides her to do what she likes.

> *I don't need to ask my husband for anything. If I wanted to help someone in my society or if I went to a funeral in my community, I can do something for them by my own. If I wanted to fuel my car, I don't need to ask my husband. I can do what I please… (Traditional cloth designer – 48 – Diploma)*

Overall, the above findings support the view that some women still value financial success (Carter et al., 2003), but rather than reinvesting their profits in their business, they are more likely to spend their income on family and household needs, save cash for emergencies, or both (Klapper & Parker, 2011; Watson, 2002). This may be due to their socialization in a society which associates women with female gender roles such as nurturing children, maintaining the household, supporting their husbands, and caring for others. In particular, in a society such as Ethiopia where households are composed of the nuclear family and extended family and where there is no social care system, some women entrepreneurs' early and ongoing socialization experience influences them to accept and internalize caring and communal goals (Eagly & Wood, 1991). Hence, women who mentioned the financial success of the business as a success criterion did so because they acknowledged its importance for sustaining their business as a source of income for the financial freedom it provides for their children's better education, for unexpected household expenses, and for fulfilling intrinsic values in life.

Profit and growth

Some participants in the study had clear financial measures in terms of profit and growth targets as primary goals. For example, a participant involved in marketing her company's product in a foreign market had the following to say about profit in her definition of success:

> *Success for me is to be on top of my game and to compete with other businesses engaged in the same line of work. In order to do this, I strive to come up with a distinct product and a brand name. I even dream of being competitive in the global market while managing to be profitable every year. That's what success means to me. (Footwear Company – 31 – Diploma)*

A young, educated participant who introduced a new market for processing and packing traditional food mentioned her growth goal as follows:

> *To me, success is a phase. For example, I used to work from home. After passing through many challenges, I acquired this place. This is success and I will use this as a stepping-stone to the next phase. I will say I am very successful when I get to see this business growing to a larger industry. (Food processing and packing – 28 – Master's degree)*

Another young and single participant running a souvenir shop socialized in one of Ethiopia's ethnic groups known as 'Gurage,' who are known for their business culture and who are recognized as mobile and skilled traders in urban settings (Worku, 2000) defined her success in terms of maximizing profit. Moreover, participants who were operating more than one business and had experience in another business defined their success in terms of traditional firm performance-measure criteria. For example, one participant who started her business in the clothing retail sector while she was a university student, and who currently operates two different businesses, expressed her definition of success in terms of creating employment for others:

> *Of course, your first aim is financial freedom. But success doesn't mean just that. If you have something of your own then being able to employ others is also success. Seeing the reality, there are a lot of capable young people and being able to employ one or two people, for me, is quite satisfactory more than anything else.(Consultant and food supermarket – 36 – Master's degree).*

In addition to this participant there were serial entrepreneurs in this study who started their business as micro in the informal sector and who later moved to the formal sector operating other small firms, who defined their success in terms of expansion and profitability. For example, a participant who said, 'I would consider myself successful when everything I dreamt and hoped for happens,' and was then asked what are the things she hopes and dreams of, mentioned:

> *My future dream is to buy land and start a cattle rearing business. On the same land, I also hope to start chicken farming. (Dairy products and taxi service – 34 – Elementary school)*

Overall, this group of women who defined their success in terms of profit and growth differs from the group where a financial success criterion is embedded in societal expectations about the female gender role. The women in this group are either young, at higher-education level, have previous business experience, operate in a male-dominated sector, or belong to an ethnic background that allowed a different kind of socialization. This aligns with previous research that found business owners' goals may vary depending on individual and business demographic factors (Stewart Jr et al., 2003) and the heterogeneity in industry sectors (Wach et al., 2016). For example, because food and textile businesses are gaining importance, along with the movement to buy local, entrepreneurs engaged in these sectors are better positioned to grow their businesses (Kelly et al., 2015).

Stakeholder satisfaction

Stakeholder satisfaction (customers, employees) was often mentioned as part of the success definitions. For example, one of the participants defined business success in terms of customers' satisfaction as follows:

> *…didn't like upsetting them (customers). How can you disappoint people and still love what you do? If you did it for the sake of money, maybe then you wouldn't mind disappointing a customer because there will always be another one. (Traditional cloth designer – 48 – Diploma)*

Similarly, the following quote illustrates business success in terms of employee satisfaction:

> *Success for me is about fulfilling my responsibilities. Are the workers happy? ...Am I happy with the work I'm doing, because money alone can't make you feel happy. (Diagnostic center and retail shops – 34 – Bachelor's degree)*

As the above two participants mentioned, stakeholder satisfaction is an intrinsic goal that contributes to self- determination (Deci & Ryan, 2000). The participants also defined business success in terms of achieving other intrinsic goals. In particular, self-fulfillment goals and societal contributions were mentioned and will be elaborated upon in the next sections. These success definitions support the view that success in business cannot simply be equated with firm performance or with financial success

(Sarasvathy et al., 2013), and that entrepreneurs pursue goals beyond economic gains (Jennings and Brush, 2013).

Self-fulfillment

About 30 percent of the participants mentioned that they are motivated to start a business to do what they love to do. Due to the entwined nature of the business and the owner, the participants viewed their satisfaction in personal life as business success. The following quote is from a participant who mentioned yoga as a hobby and who is involved in the yoga and massage business:

> *Passion; to be passionate about what you are doing and being creative. You know, even doing something meaningful for someone, like when I see people coming and getting relief from their pain and stress and becoming happy, makes me feel I am successful. (Yoga and massage – 37 – Master's degree)*

Another example of self-fulfillment success criteria comes from Diaspora and repatriate women entrepreneurs. Their life experience in foreign countries helped them develop a sense of their Ethiopian identity which in turn enhanced their love for the different cuisines, cultural ornaments, attire, and the other cultural aspects of their country. They expressed their business success as promoting and contributing to the betterment of their country, as the following quote by a repatriate participant who is engaged in running a guesthouse illustrates:

> *Success for me isn't only when people come to stay at my place but also when they learn about the country and its diverse cultures…. When people leave satisfied and happy, that's a 100 percent success in my eyes. The love for my country is the most important factor. When tourists come to stay at my place, eager to learn about the different cuisines, cultural ornaments, and lifestyles of Ethiopia, it gives me immense satisfaction. I see myself as contributing to my country. (Guesthouse – 51 – Bachelor's degree)*

In a similar vein, participants who are engaged in traditional clothes design and art-related businesses stated personal satisfaction as business success, as the following quote illustrates:

It's not about the money for me, it's when people love what I do ...money is an end result. A lot of people have stopped buying drinking glasses and plates as a gift ... so that's a huge success for me. The biggest success for me is to see people buy traditional Ethiopian-made products and hang them on their walls proudly. (Traditional cloth and accessories designer – 50 – Bachelor's degree)

The above three participants found their business to be important to fulfill their childhood dreams or to turn their hobby into a business or to commit to the culture they missed when they lived abroad. Thus, the success criteria they prioritize evolve around achieving intrinsic goals.

Societal contribution

The other success criteria concern achieving intrinsic goals, phrased as contributions to society and religion. Two of the participants mentioned their contribution to poor people in the community by providing them with a free service. One participant who owns a diagnostic center mentioned that she provides CT scan, MRI, ultrasound, ECG, and ambulance services for free to poor people. The second participant who owns an elementary school said that 'when I opened the school there were children who want to learn but cannot afford…. So I thought of how many students I can teach for free in a year.' The following quote illustrates her success criteria in terms of both societal contribution and expansion of her business:

For me success is the love of work. First, I love what I do and I have a huge respect for it. Second, the fact that I am helping out not less than 10 to 12 people, those that are in need, considering my capacity, that is for me a great satisfaction…., and in the future, what I consider to be a success is when I get to build a building and widen my services while helping the students that I need to help. God helped us to reach this stage and the most important thing is working and serving honestly and God is the one who lies in the heart. (Elementary school – 45 – Bachelor's degree).

Notable in this quote is that the respondent refers to serving God as part of her definition of success. Similarly, some of the participants in this study linked their success criteria to their religious beliefs. For example, a participant expressed her success in terms of helping others and her contribution to religion as follows:

When I dreamed about this at first, my goal wasn't to get up to try and become a millionaire; it wasn't making profit. My thoughts were on how I can help out others through what I did. I am a person of the church. My religion and church teach about helping others, and I had the intention of using the money I make to help to spread the word of God. (Jam producer – 53 – Diploma).

This finding supports the view that belief systems in sub-Saharan Africa play a critical role in shaping attitudes toward business and entrepreneurship (Amine & Staub, 2009). The culture, traditions, and values of religious people in Ethiopia are heavily influenced and shaped by their religious beliefs. According to the 2007 population census of Ethiopia the dominant religions, Orthodox Christianity (43.5 percent) and Islam (33.9percent), each preach about taking care of others and doing good. Consequently, as women in Ethiopia are found to be more religious than men by adhering strictly to their religious obligations (Biseswar, 2008), profit achieving goals or wealth creation may be of no importance for some religious women entrepreneurs.

In sum, although the interviews revealed that women did mention financial success, profit, and growth, they also attributed success as something to do with other goals, such as stakeholder satisfaction, self-fulfillment, and making a contribution to religion and society. Whereas the language used to express the value of financial success, profitability, and growth success criteria were largely addressing extrinsic goals, the remaining success criteria lay closer to the realization of intrinsic goals (Deci & Ryan, 2000). It is suggested that when people put intrinsic goals first, their performance for the attainment of these goals and the expectation of future goal attainment contribute to their greater health, well-being, and performance (Kasser & Ahuvia, 2002; Vansteenkiste et al., 2006). Thus, those women entrepreneurs in Ethiopia who prioritize intrinsic goals may be more persistent in putting greater effort and energy into the continued existence and success of their business on their own terms.

Conclusion

This study focused on the question of how women entrepreneurs in Ethiopia define business success in their own terms. Rather than comparing them to men or to women in other countries, the variation in success definitions was sought in a relatively homogeneous group of women entrepreneurs in a single

country. Participants defined their success both in terms of financial and non-financial performance measures. The findings indicate that due to their early and ongoing socialization experience as a female in Ethiopia, the majority emphasized family and communal values, stakeholder satisfaction, self-fulfillment, and contributions to society. Even many of those who mentioned their success definitions in terms of financial success emphasized its instrumental value for realizing intrinsic goals. However, some women, who are young, educated, have previous business experience, or who operate more than one business or are engaged in male-dominated sectors defined their success more in terms of financial performance measure criteria as a goal in itself.

Hence, in designing policy and support programs policy-makers should acknowledge that the women entrepreneurs in Ethiopia are not a homogeneous group. Most women use success criteria other than the traditional firm performance criteria that are usually used to assess the success of small firms. When firm performance is conceptualized more in terms of the optimization of personal functioning and well-being, a basic understanding of entrepreneurs' attainment of intrinsic goals should be helpful for policy-makers and donors in facilitating optimal performance and well-being of women entrepreneurs.

Despite the small sample size, the purposive sampling technique proved to be useful in identifying different sub-groups of women entrepreneurs who define their success both in financial and non-financial performance-measure terms. However, further quantitative analysis including male entrepreneurs needs to be conducted to measure between-sex differences and within-sex differences in the socio-economic context of Ethiopia, to further analyze and understand the various definitions of success. In addition, the relation should be sought with start-up motivations of women entrepreneurs, with the type of sector and background characteristics such as education, age, and gender, to further examine whether gender is salient or stronger than other variables in valuing the success definitions as laid out in this chapter.

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Chapter 5. Growth intentions of micro and small business owners in Sub-Saharan Africa

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Abstract

The present research integrates two motivational theories – self-determination theory (SDT) and theory of planned behavior (TPB) to examine growth intentions of micro and small business owners in a sub-Saharan Africa (SSA) context. Using a sample of 171 male and female micro and small business owners in Ethiopia, results indicate that attitude towards growth mediates the relationship between the satisfaction of basic psychological needs for autonomy, competence, and relatedness in entrepreneurial activity and the intention to grow business. Moreover, no difference was found in growth intentions between men and women business owners.

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Introduction

The proportion of entrepreneurs with growth intentions in a country is a more important predictor of national economic growth than the level of entrepreneurial activity in general (Stam, Suddle, Hessels, & Van Stel, 2009). Entrepreneurs' growth intentions matter (Levie & Autio, 2013) because they predict actual business growth (Frederic Delmar & Wiklund, 2008; Stam, et al., 2009; Wiklund & Shepherd, 2003). Hence, businesses whose entrepreneurs lack growth intentions are less likely to grow (Levie & Autio, 2013). The level of growth intentions in a country is therefore seen as a key measure of potential economic growth and job creation (Kelley, Brush, Greene, & Litovsky, 2013). However, many small business owner-managers are not interested in growth or deliberately refrain from pursuing growth (Gundry & Welsch, 2001; Wiklund & Shepherd, 2003). In the context of SSA, challenges in the economic and business environment can have impact on growth intention of entrepreneurs. For example, difficult access to finance, corruption, and inefficient government bureaucracy are some of the challenges in doing business in Ethiopia (World Economic Forum, 2012). In this line, corruption has been found to constrain entrepreneurial employment growth aspirations (Estrin, Korosteleva, & Mickiewicz, 2013). Although these challenges will affect both men and women, corruption and crime have even more negative effects on productivity and performance of female entrepreneurs compared to their male counterparts in Ethiopia (World Bank, 2009). Thus, such challenges are more likely to affect women's drivers for business growth intention.

Moreover, studies repeatedly report gender differences in growth intentions (Estrin & Mickiewicz, 2011; Sullivan & Meek, 2012). Hence, given the mixed finding of gender difference in growth intention across studies (Efendic, Mickiewicz, & Rebmann, 2015; Estrin, Korosteleva, & Mickiewicz, 2013; Estrin & Mickiewicz, 2011; Sullivan & Meek, 2012), this research will examine gender differences in motivational drivers and intention to grow business in the context of SSA countries. To capture and improve the full potential of entrepreneurial activity, particularly in SSA, a good understanding of the drivers of growth intention for both men and women is essential. This study therefore aims to gain a better understanding of what explains male and female micro and small business owners' growth intentions.

Growth intention is a behavioral choice of the entrepreneur, involving evaluative and motivational processes. The theory of planned behavior (TPB) is widely applied in the entrepreneurship literature to

explain and predict all different types of intentions and behaviors (Lortie & Castogiovanni, 2015; Schlaegel & Koenig, 2014). According to TPB, intentions are indications of how hard people are willing to try, of how much of an effort they are planning to exert, in order to perform the behavior. Intentions to perform behaviors can be predicted with high accuracy from attitudes toward the behavior, subjective norms, and perceived behavioral control (Ajzen, 1991). Despite its popularity, TPB has been criticized for failing to identify the theoretical origins of behavioral intentions (Hagger & Chatzisarantis, 2007). In this regard, entrepreneurship researchers have suggested various variables from different theories (Lortie & Castogiovanni, 2015). In this paper, we build on the suggestion that psychological needs for autonomy, competence, and relatedness (Ryan & Deci, 2000) determine the origins of motivational orientations and intentions (Hagger, Chatzisarantis, & Harris, 2006). Kolveried and Isaksen (2006) confirmed the importance of motivational drivers like autonomy, authority, and self-realization as antecedents to attitudes in the context of entrepreneurship. In this study we follow up on this motivational extension of TPB by proposing that basic psychological needs satisfaction of autonomy, competence, and relatedness (Ryan & Deci, 2000) in entrepreneurial activity acts as an antecedent to attitude, perceived behavioral control, and subjective norms to influence growth intentions of entrepreneurs. According to SDT, the more satisfaction of needs for autonomy, competence, and relatedness individuals feel when participating in economic activities, the more productive, innovative, and persistent those people will be (Ryan & Deci, 2017). Thus the premise of this study is that entrepreneurs who experience basic psychological needs satisfaction in entrepreneurial activity will develop a positive attitude towards a business growth and develop a sense of behavioral control over achieving business growth which will foster their intention to grow business.

Overall, the contribution of this study is twofold. First, from a theoretical perspective, the study integrates self-determination theory into the theory of planned behavior to provide a theoretical foundation for the antecedents of business growth intentions of both male and female entrepreneurs. Second, from a policy perspective, the findings will help policy makers to understand factors that play a role in growth intention among male and female micro and small business owners particularly in SSA (such as Ethiopia).

The following section provides the theoretical background and hypotheses. The methods and results of the study are then presented, followed by discussions of the findings, limitations, and directions for future research. Finally, the conclusion and policy implications are provided.

Theoretical backgrounds and hypotheses

According to TPB, the most salient predictor of behavior is intention (Ajzen, 1991). Although TPB explains variance in intentions and behavior, it does not identify the motivational origins of the antecedents of the intentions (Chatzisarantis, Hagger, & Smith, 2007), which matter because the specific response to the different obstacles in the path from intention to action in entrepreneurial activity may depend on the characteristics and strength of each person's motivations (Carsrud & Brännback, 2011). The current study therefore integrates concepts from TPB (Ajzen, 1991) with SDT (Ryan & Deci, 2000) to investigate business growth intentions of micro and small business owners. SDT theorizes about orientations that drive motivation, but unlike TPB it does not chart the exact process by which these motivational orientations are converted into intentions. When behavioral intention is driven by intrinsic motivation, it will be more likely to predict behavior (Chatzisarantis & Biddle, 1998). According to SDT, intrinsic motivation can be bolstered or thwarted by the extent to which a behavior meets the satisfaction of the basic psychological needs for autonomy, competence, and relatedness (Ryan & Deci, 2000). Thus we propose that basic psychological needs satisfaction (BPNS) indirectly influences business growth intention via the TPB variables of attitude, subjective norms, and perceived behavioral control. Next, we will explain how TPB and then SDT relate to growth intention in more detail, and we will develop the hypotheses.

Theory of planned behavior

The theory of planned behavior (Ajzen, 1985, 1991) is used largely to understand intentional behavior. Entrepreneurship researchers who have incorporated TPB into their research have established the foundation that starting and growing a business (and various other behaviors related to entrepreneurship) are planned behaviors (Kolvereid & Isaksen, 2006; Krueger, Reilly, & Carsrud, 2000; Shook, Priem, & McGee, 2003). Although micro and small business growth is a behavior that is complex and subject to external constraints such as finance, TPB allows for incorporating behavior over which an individual has limited volitional control (Ajzen, 1991; Netemeyer, Burton, & Johnston, 1991). Previous studies have highlighted

TPB's validity for explaining business growth (Wiklund, Davidsson, & Delmar, 2003; Wiklund & Shepherd, 2003). Moreover, a general meta-analysis (Armitage & Conner, 2001) and a more recent entrepreneurship specific meta-analysis (Schlaegel & Koenig, 2014) have confirmed the link between intentions and subsequent behaviors.

According to TPB, intentions are predicted by three key variables. The first is *attitude,* which refers to a person's positive or negative evaluation of performing a specific behavior (Ajzen, 1991). It represents each owner's evaluation of several perceived outcomes of growth, or what an entrepreneur finds personally desirable or undesirable about growing her/his business. For example, growth might imply the outcome that the owner must work harder or might imply the outcome of providing a sustainable income and financial security for their family. Hence, growth attitudes of small business managers set limits to the growth a business will achieve (Sexton & Bowman-Upton, 1991). The second predictor, *subjective norms (SN),* refers to the individual's perception of the social pressures to grow (or not to grow) business (Ajzen, 1991), or what the important people in the life of the entrepreneur think. Support for the role of SN in TPB has been relatively weak (Ajzen, 1991; Terry & Hogg, 1996), including research on entrepreneurial intentions to start a business (Liñán & Chen, 2009) and on the growth intention of female entrepreneurs (Venugopal, 2016). Finally, the third predictor, *perceived behavioral control (PBC)***,** refers to beliefs about self-efficacy and about having control over the performance of a behavior (Ajzen, 2002). It reflects perceptions regarding behavior as personally controllable as well as notions relating to the ease or difficulty of initiating a behavior.

TPB has been applied in entrepreneurship research to understand the entrepreneurial intention to start a business (See, for example, Krueger, Reilly, & Carsrud, 2000; Liñán & Chen, 2009; Van Gelderen et al., 2008). However, only a few studies have applied TPB in the study of business growth intention (Orser & Hogarth-Scott, 2002; Venugopal, 2016; Wiklund & Shepherd, 2003). In their study of small business owners in Canada, Orser, and Hogarth-Scott (2002) found attitudes towards owners' perceived outcomes of growth and the opinions of important others in the owners' lives relate to growth intention. On the other hand, Venugopal (2016) did not found support for attitude and SN relating to women's growth intentions. Thus, we hypothesize that:

H1a: The more favorable the attitude of micro and small business owners with respect to growing a business, the stronger the intention to grow their business will be.

H1b: The more weight micro and small business owners give to opinions of important others, the more likely they will be to have intentions to grow their business.

H1c: The more self-efficacy and control (PBC) micro and small business owners have to grow business, the stronger their intention to grow their business will be.

Self-Determination theory

SDT focuses on the degree to which an individual's behavior is self-motivated and self-determined (Deci & Ryan, 1985, 2002). Although there seem to be few studies where self-determination theory has been directly applied in the field of entrepreneurship, researchers have indicated that entrepreneurial behavior is primarily self-determined behavior; that is, individuals decide for themselves what course of action they will follow (Shane & Venkataraman, 2000). Hence, growth of a business is a self-determined behavior.

People base their intentions (in this study business growth intention) to act on general motives that are caused by their psychological need for self-determination (Hagger, Chatzisarantis, & Biddle, 2002). In this line, SDT proposes three basic psychological needs. The first is the need for *autonomy*, defined as a form of self-government, or the extent to which members feel self-directed in their actions (Deci & Ryan, 1985). It has been suggested that entrepreneurial activity is important for the satisfaction of autonomy (Rauch & Frese, 2007; Van Gelderen, 2016). The second is *competence,* which drives people to explore and try to master the environment (White, 1959). The need for competence proposes that humans actively seek challenge, a propensity that contributes to their growth and skill development and that also helps them to adapt to the complex and changing world around them (Deci & Ryan, 2000). Competence in entrepreneurship reflects the confidence individuals have that they can successfully complete a series of entrepreneurial tasks (Douglas, 2013). The third is a need for *relatedness* that refers to a person's need to feel a sense of closeness with others. In the context of entrepreneurial behavior the need for relatedness is manifested in the desire to interact collegially with customers, suppliers, and coworkers in a satisfying way (Douglas, 2013).

According to SDT (Deci & Ryan, 2000), the transformation of external regulation into self-determined forms of regulation as well as the stability of self-determined (intrinsic) motivation depend on the satisfaction of the basic, innate psychological needs for autonomy, competence, and relatedness. Further, the satisfaction of those needs is said to have an energizing power, in the sense that once individuals' psychological needs are fulfilled, they are more likely to proactively engage in subsequent need-fulfilling activities (Deci & Ryan, 2000). Hence, entrepreneurs who gain confidence, skills, and knowledge in entrepreneurial activity are more likely to have growth ambitions to further fulfill the need for competence by growing their business. For example, Douglas (2013) has found that the innate need for competence predicts growth-oriented intentions to start a business. Entrepreneurs who have their basic psychological needs satisfied in entrepreneurial activity acquire social capital through the satisfaction of relatedness needs, which will enable them to access and reduce the costs of resources (Cromie, 1994) necessary to achieve growth. Moreover, when local social ties are stronger, the impact of institutional deficiencies such as corruption and property rights becomes weaker, enabling entrepreneurs to adopt high growth aspirations (Estrin, Korosteleva, & Mickiewicz, 2013). Further, the satisfaction of basic needs predicts intentions to grow with a sense of self-endorsement rather than with a sense of resistance and pressure. Hence a micro and small business owner who has experienced basic needs satisfactions in entrepreneurial activity may be more likely to intend to grow the business to further fulfill these needs than another entrepreneur who has not experienced basic needs satisfactions. When basic needs are thwarted, intrinsic motivation and internalization of extrinsic motivation diminishes, and in this case business owners are expected to exhibit low levels of growth intention. Hence, to engage in further need fulfilling entrepreneurial activities, entrepreneurs who have had their basic needs satisfied in entrepreneurial activity may be more likely to intend to grow their businesses. Thus, it is hypothesized that:

> **H2**: The more micro and small business owners have their basic psychological needs satisfied in entrepreneurial activity, the more they will intend to grow their business.

Influence of BPNS on Attitudes, SN, and PBC

Although, there are a few studies concerning the direct impact of BPNS on the development of entrepreneurial behavior, a recent meta-analysis in a work domain, suggested that BPNS is positively related to job satisfaction and affective commitment and negatively related to work-family conflict (Van den Broeck, Ferris, Chang, & Rosen, 2016). On the other hand, work-family balance and workload influence attitudes towards business growth (Wiklund & Shepherd, 2003). Therefore, BPNS has an influence on attitude towards growth. It is also possible to be autonomous in response to others (Deci & Vansteenkiste, 2004). Moreover, the autonomy satisfaction helps individuals to be the creator of one's actions and to feel psychologically free from control (Deci & Ryan, 2000). Thus, it is hypothesized that:

H3a: Satisfaction of basic psychological needs in entrepreneurial activity positively relates to attitude towards business growth.

H3b: Satisfaction of basic psychological needs in entrepreneurial activity positively relates to SN to grow business.

H3c: Satisfaction of basic psychological needs in entrepreneurial activity positively relates to PBC to grow business.

Mediation role of TPB variables

Ajzen (1991) suggests that the formation of the social cognitive constructs from the TPB draws from dispositional constructs like personality as well as beliefs regarding the behavior. In this regard, motives from SDT act as distal, formative influences of the key antecedents of intention from the TPB because they reflect the belief systems that underpin these variables (Hagger & Chatzisarantis, 2007; Hagger, Chatzisarantis, Barkoukis, Wang, & Baranowski, 2005). Individuals align their attitudes and perceptions of control, and then intentions, with their needs-based motives as a goal-directed strategy to engage in future needs satisfying behavior (Hagger, Koch, & Chatzisarantis, 2015). In entrepreneurship literature it has been suggested that different motivations may lead to varying levels of personal attitude, SN, and PBC and, through them, to distinct entrepreneurial intentions (Solesvik, 2013). Further,). Thus, it is hypothesized that:

H4a: The relationship between BPNS in entrepreneurial activity and intention to grow one's business is mediated by attitude.

H4b: The relationship between BPNS in entrepreneurial activity and intention to grow one's business is mediated by SN.

H4c: The relationship between BPNS in entrepreneurial activity and intention to grow one's business is mediated by PBC.

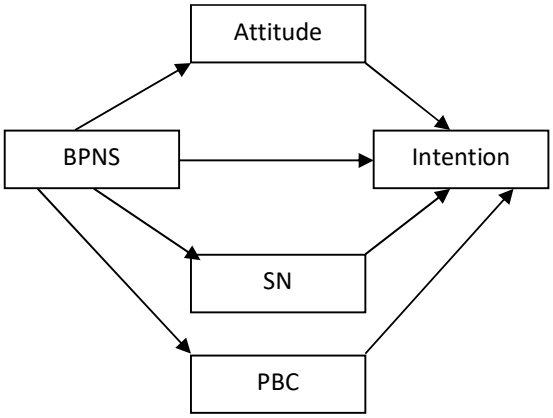

Figure 1: Conceptual Model

Gender and growth intention

Researchers suggest that there is a gender difference in growth intentions (Orser & Hogarth-Scott, 2002) including growth intention for a new venture ((Manolova, Brush, Edelman, & Shaver, 2012) between men and women, with male business owners intending to grow their business more than female business owners. This may be because women tend to have different approaches to venture creation and growth (Brush, 1992; Cliff, 1998). They emphasize personal versus economics factors in firm growth decisions (Cliff, 1998). Other researchers suggest that men are often depicted as prizing status-based career satisfaction derived from financial success and business growth (DeMartino & Barbato, 2003), whereas women persist as entrepreneurs for self-fulfillment and family goal reasons (Gatewood, Shaver, & Gartner, 1995) and place great value on survival, work creation and stability (Dalborg, von Friedrichs, & Wincent, 2012). They see their future plans for the business as closely connected to the well-being of their families (Hailemariam & Kroon, 2018). Moreover, a recent review indicates that women tend to attach less value to business

expansion and financial success and to possess lower growth aspirations than their male counterparts (Sullivan & Meek, 2012). Thus, it is hypothesized that:

> **H5**: There is a difference in intention to grow business between women and men micro and small business owners, such that men have higher levels of growth intentions than women business owners.

Method

Design and procedure

The study applied a quantitative analysis method using a cross-sectional design. A self-administered questionnaire was originally developed in English and then translated by two bilingual colleagues. The first colleague translated the instrument from English into Amharic (the lingua franca of Ethiopia), and the second colleague, who has no contact with the first translator and no knowledge about the original instrument, translated it back into English. The back-translated version was then compared with the original version of the questionnaire to determine the accuracy and consistency of the translation. The final Amharic version questionnaire was pilot tested for completeness and relevance in a convenience sample of entrepreneurs. Based on the results of the pilot survey, a minor revision was made. The questionnaires were then administered to owner-managers who were actively involved in their businesses' day-to-day operations. Owner-mangers are used because their perceptual measures could be valid in establishing the BPNS, attitudes, SN and PBC factors that have effects on growth intentions. Respondents were assured of the anonymous nature of the data collection effort in advance.

Sample and data collection

The study was conducted in Addis Ababa, the capital city of Ethiopia. The study focuses on this city because it is populated with people from different ethnic groups and it is a place where various kinds of businesses are found. Initial attempts to randomly select business owners from registered business owner lists obtained from sub city trade offices brought only limited success. This was partly due to a lack of updated telephone numbers and of owners who were willing to be interviewed by telephone. We thus applied a convenience sampling technique, which is useful when it is otherwise difficult to obtain a sufficient level of response (Bryman & Bell, 2015). Moreover, to ensure a higher response rate, two research assistants were

hired and trained to distribute and collect the questionnaires at participants' workplaces. Data was collected either through face to face interviews or by respondents completing questionnaires themselves without intervention by the research assistant. We then tested whether participants who were interviewed differed from those who completed the questionnaire on their own. We did not find significant differences with respect to demographic (gender and age) and business data (number of employees and age of business) or with respect to any of the research variables assessed in this study.

In total, 248 businesses owners were contacted at their workplace and invited to participate in the study. A fortnightly return schedule was implemented for research assistants to hand in the completed questionnaires. Six of the business owners refused to participate in the study, and out of those who were willing only 176 surveys were eventually returned, reflecting a 71.4 percent response rate. Four participants were removed from the original dataset for exceeding the maximum criteria of 30 employees in a small business. One participant was also removed due to incomplete data, leading to an effective dataset of 171 usable responses. The sample included entrepreneurs aged between 20 and 66 years old (mean = 36.6, SD = 8.82), of whom 40.9 percent had a college/university degree and 94 (55 percent) were women. On average, the entrepreneurs in the sample reported having 7 employees (SD = 7.99), with an average business age of 6.24 years (SD = 4.75).

Measures

To measure intention, SN, and PBC, we adopted items used by Kautonen, Gelderen, and Fink (2015) in the study of start-up intention, and these were measured on a 7-point scale from strongly disagree (1) to strongly agree (7).

Growth intention. Firm growth is conceptualized and used according to different measures (Achtenhagen, Naldi, & Melin, 2010; Kiviluoto, 2013). Growth in number of employees and in sales are the most commonly used indicators of firm growth (Delmar, 2006). For example, Orser and Hogarth-Scott (2002) used both growth in sales and growth in number of employees in their study of growth intention. Since business owners in Ethiopia avoid responding to questions related to increase in sales due to fear that the survey might be used for tax purposes, we opted to use only employee growth, as it is also a clear and objective indicator of business growth (Delmar, 2006; Dobbs & Hamilton, 2007). Similarly, previous

research on attitude towards growth (Wiklund, Davidsson, & Delmar, 2003) and on intention to grow business (Estrin, Korosteleva, & Mickiewicz, 2013) used only growth in number of employees to measure firm growth.

Growth intention was measured using three items: "I plan to take steps to increase the number of employees during the next 5 years"; "I intend to take steps to increase the number of employees during the next 5 years"; "I will try to take steps to increase the number of employees during the next 5 years." The Cronbach's alpha coefficient is 0.91.

Subjective norm. SN was measured using two sets of scales: One captured the normative beliefs of close referents (e.g., "Regarding increasing the number of employees in the next 5 years, my closest family members think I should take steps to do it"), with Cronbach's alpha at 0.77. The other three items measured the respondent's motivation to comply with the opinions of those groups of people (e.g., "How much would you care about what your closest family members think?") along a 7-point scale from "not at all" (1) to "totally" (7). The Cronbach's alpha reliability coefficient is 0.86.

Perceived behavioral control. Following Kautonen, Gelderen, and Fink (2015), four items –two reflecting control beliefs and two reflecting self-efficacy – were included to measure PBC. Example items are "It would be easy for me to take steps to increase the number of employees during the next 5 years" and "If I wanted to take steps to increase the number of employees during the next 5 years, no external factor independent of myself would hinder me in taking such action." Cronbach's alpha for the scale is 0.72.

Attitude. This variable was measured using seven items from Wiklund, Davidsson, and Delmar (2003) and two items from Douglas (2013). Each item was preceded by the phrase "increasing the number of employees during the next 5 years would…" followed by areas for participants to assess favorable or unfavorable consequences of increasing the number of employees such as "make it harder for the business to maintain the quality of products and services," and "involve high risk of failure." Four of the items were reversed to reduce response bias. After accounting for the reversely-worded items and removing one item ("require me to work long hours every day") that failed to load over 0.4 in any of the factors, Cronbach's alpha coefficient is 0.77.

Basic psychological needs satisfaction. To measure respondent's satisfaction of the three basic psychological needs for autonomy, competence, and relatedness in entrepreneurial activity, we adopted the "Basic Need Satisfaction and Frustration Scales" developed by Chen et al. (2015). The measures included four items for autonomy (e.g., "In running my business I feel a sense of choice and freedom in the tasks I undertake"), four items for competence (e.g., "I feel confident that I can do things well in my business") and four items for relatedness (e.g., "In my business I feel close and connected with other people who are important to me"). Respondents indicated their level of agreement using a 5-point scale from "not true at all" (1) to "completely true" (5). Furthermore, in line with SDT's assumption that the satisfaction of all three are positively related, the three needs have been grouped in several previous studies to form a composite score of general needs satisfaction, for example (Kasser, Davey, & Ryan, 1992; Vansteenkiste, Duriez, Simons, & Soenens, 2006), and needs satisfaction at work (Lian, Ferris, & Brown, 2012; Van den Broeck, Vansteenkiste, De Witte, & Lens, 2008). Following these authors, we combined the three needs to form a composite score for general basic needs satisfaction. The Cronbach's alpha is 0.88.

*Control variables***.** We control for respondents' age, as growth intention varies with age (Cassar, 2006), with younger entrepreneurs likely to be more eager to grow than older entrepreneurs (Davis & Shaver, 2012). Education is another individual level variable that influences growth intention (Levi & Autio, 2013), where it is suggested that individuals with higher educational attainment are more likely to direct their efforts towards high-growth activities (Autio, 2005). Growth intention is higher among entrepreneurs who are male and more educated (Estrin, Korosteleva, & Mickiewicz, 2013; Karadeniz & Özçam, 2010). Hence, we control for tertiary education and gender. Moreover, at a firm level the age of the business has been found to influence growth intention (Manolova, Carter, Manev, & Gyoshev, 2007); as the firm gets older, growth intentions may be tempered (Delmar, Davidsson, & Gartner, 2003). In this study, age of business and age of respondents were recorded in number of years.

Statistical analysis

Reliability of the survey instrument was established by calculating Cronbach's alpha to measure internal consistency. Cronbach's alpha exceeds the recommended threshold level of 0.7 for all constructs, suggesting satisfactory reliability for the individual variables. We applied model 4 in the PROCESS macro

developed by Hayes (2013) in order to test the proposed model (Figure 1). This procedure estimates an indirect effect using a bootstrapping technique. PROCESS provides a convenient way to conduct mediation analyses and generates results that are similar to the models that would be estimated with SEM programs such as MPlus and LISREL (Hayes, 2013). It is recommended as the most trustworthy test if power is of the utmost concern (Hayes & Scharkow, 2013).

The last hypothesis predicts that there is a difference in growth intention between women and men entrepreneurs (H5). We conducted independent samples t-tests to examine this gender difference in all TPB constructs and BPNS.

Results

Descriptive statistics and correlations

Means, standard deviation, and correlation among the study variables are presented in Table 1. All TPB constructs except SN showed significant positive correlations with growth intention (attitude r =. 566, p = .000; PBC r = .295, p = 000; SN r = .093, p = .233). BPNS positively correlates significantly with all TPB variables (intention r = .225, p = .004; attitude r = .179, p = .029; SN r = .176, p = .028; PBC r = .440, p = .000). Attaining higher education positively correlates both with intention (r = .218, p = .004) and BPNS (r = .162, p = .041), and age of business negatively correlated with intention (r = -.159, p = .041). But gender and age of respondents did not significantly correlate with intention nor with BPNS (Table 1). None of the correlation coefficients exceeded .70, indicating that there was no problem with bivariate collinearity (Tabachnick & Fidell, 1996).

Table 1: Correlation coefficients of the variables used in the study.

	Mean	**SD**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**
1. Intention	5.44	1.36									
2. Attitude	5.03	1.02	.566***								
3. SN	15.49	10.63	.093	-.062							
4. PBC	4.90	1.18	.295***	.394***	.131						
5. BPNS	3.88	.71	.225**	.179*	.176*	.440***					
6. Sex	1.55	.499	-.063	-.098	-.040	-.034	.013				
7. Business age	6.24	4.75	-.159*	-.109	.085	-.052	.026	-.043			
8. Respondent age	36. 6	8.82	-.097	-.025	-.052	-.022	.104	.081	.353***		
9. Higher education	.41	.49	.218**	.135	-.006	.053	.162*	.012	-.143	.011	

P* ≤ .05, P** ≤ .01, P*** ≤ 0.001, Higher Education (1= college/university degree); Sex (1=man, 2= woman); PBC= Perceived Behavioral Control, SN= Subjective Norm, BPNS= Basic Psychological Need Satisfaction.

Model test

To test the proposed model (Figure 1), we employed Preacher and Hayes' (2013) SPSS Macro using bias-corrected 95% confidence intervals with 5,000 bootstrapping re-samples. BPNS was entered as the predictor variable (X); intention to grow business as the dependent variable (Y); attitude, SN, and PBC as mediating variables (M) operating in parallel; education as a dummy variable; and age of business (in years) as statistical control. We did not include gender or age of respondents as control variables since there were no significant correlations between these variable and any of the study variables.

Table 3 displays the regression coefficients and model summary. There is a significant direct relation between BPNS and attitude (b = .203, SE = .082, 95% CI = [.04, .36]), SN (b = .657, SE = .324, 95% CI = [.02, 1.30]), and PBC (b = .253, SE = .044, 95% CI = [.17, .34]), supporting hypotheses H3a to H3c. The association between attitude and intention to grow business b = .259, SE = .037, 95% CI = [.19, .33]) was significant, but the association of intention to grow business with SN (95% CI = [-.01, .03] and with PBC (95% CI = [-.09, .19]) were not significant. Thus, H1a is supported but not H1b and H1c. No direct relationship exists between BPNS and growth intention (95% CI = [-.05, .10]). Thus, H2 is not supported. However, the indirect relationship between BPNS and growth intention through attitude was significant (b = .053, SE = .022, 95% CI = [.01, .10]). Thus, H4a is supported but not H4b and H4c. Turning to the control variables, education showed a direct relation to intention but age of business did not (Table 3). Overall, controlling for education and age of business, the multiple mediation model accounted for 39.76% of the variance (F (6, 133) = 14.63, P = .000) in business growth intention.

Table 2: Regression coefficients, standard error and model summary for influence of BPNS on growth intention, mediated by TPB variables.

	Consequent											
Antecedent	Attitude			SN			PBC			Intention		
	b	SE	*p*	*b*	SE	*p*	*b*	SE	*p*	*b*	SE	*p*
Attitude	-	-	-							.259	.038	.000
SN	-	-								.012	.009	.173
PBC										.052	.071	.468
BPNS	.203	.082	.015	.657	.324	.069	.253	.044	.000	.029	.037	.443
Business age	-.210	.149	.160	.256	.588	.044	-.087	.079	.272	-.059	.061	.336
Education	1.515	1.43	.292	-6.47	5.644	.254	-.458	.759	.547	1.239	.584	.036
Constant	31.186	3.955	.000	17.89	15.606	.254	8.510	2.098	.000	2.871	1.950	.143
Model summary	R^2 = .0763			R^2= .0372			R^2 = .2043			R^2 = .3976		
	F(3 136), P= .013			*F* (3 136) P= .160			*F*(3 136) P=.000			*F* (6, 133) P= .000		

Independent sample test

Table 2 presents the descriptive statistics for men and women separately. To understand gender differences as predicted in H5, an independent sample t-test was performed. Results indicate that men (Mean = 5.537, SD= 1.342) and women (Mean = 5.366, SD = 1.383) did not differ in their growth intention (t (168) = .814, p = .417). In addition, Table 2 illustrates that the t-test showed no statistically significant gender differences on any of the TPB variables. Similarly, no differences were found between men (Mean = 3.866, SD = .687) and women (Mean = 3.884, SD = .728) for BPNS (t (157) = -.162, p = .871). Thus, hypothesis H5 is not supported.

Table 3: Descriptive statistics and independent t- test

Variables	**Men**		**Women**		**t- statistics**	**p-value**
	Mean	SD	Mean	SD		
Intention	5.537	1.342	5.366	1.383	.420	.675
Attitude	5.138	0.889	4.936	1.120	1.43	.155
SN	15.952	10.720	15.097	10.597	-.223	.824
PBC	4.947	1.173	4.867	1.183	.487	.627
BPNS	3.866	.687	3.884	.728	-.162	.871

Discussion

This study had two main purposes. The first aim was to apply an integrated model based on SDT and TPB to examine the business growth intentions of micro and small business owners. We hypothesized that BPNS in entrepreneurial activity would provide the motivational basis to the predictor variables (attitude, SN, and PBC) and then to intention. We found evidence supporting the idea that BPNS was a direct predictor of attitude, SN, and PBC. However, BPNS in entrepreneurial activity was found to be not a direct predictor but rather an indirect predictor of business growth intention via attitude towards growing business.

SN and PBC were not found to predict business growth intention. According to TPB, subjective norms measure the perceived pressure from significant others (Ajzen, 1991). It is expected that as pressure from significant others increases, intention to grow business increases. However, SDT suggests perceived social pressure impedes rather than enhances motivation (Ryan & Deci, 2000). Moreover, satisfaction of

the basic psychological need for autonomy is the degree to which one has the impression that decisions are compatible with one's individual norms and values (Ryan & Deci, 2006). Accordingly, the fulfillment of basic psychological needs in entrepreneurial activity for the participants of this study predicts their attitude towards growing their business and intentions to grow with a sense of self-endorsement rather than with a sense of resistance and pressure.

Despite a positive relation between PBC and BPNS as well as PBC and intention, we did not find the expected mediator effects of PBC. However, BPNS did predict PBC, indicating that entrepreneurs who have fulfilled their needs for competence, autonomy, and relatedness in entrepreneurial activity are more confident in their skills and abilities and perceive the outcomes of their behavior to be under their control. People who believe that they have the required resources and opportunities, who have confidence in their ability to perform, and who have control over their behavior, exhibit a high degree of perceived behavioral control (Ajzen, 2002). However, in this study PBC did not predict business growth intention.

In studies of start-up intention, entrepreneurial self-efficacy, which is considered as related to PBC, has been found to predict growth oriented business start-up intention (Douglas, 2013). On the other hand, Orser and Hogarth-Scott (2002) used only perceived control to measure PBC and found that owners' sense of resource feasibility was not a statistically significant element in predicting growth intention. Ajzen (2002) suggested that measures of perceived behavioral control should contain items that assess self-efficacy as well as controllability. In our study we used both measures of self-efficacy and measures of controllability. Thus, the weakness of PBC in predicting intention to grow business could be a methodological artifact because attitudes and perceived behavioral control in our study were highly interrelated, and part of the effect of PBC on growth intention may be masked. Rauch and Hulsink (2015) reported a similar case in a study on start-up intentions.

The second aim was to compare gender differences in business growth intentions of micro and small business owners in Ethiopia. Contrary to previous studies of small business owners in developed countries (Orser & Hogarth-Scott, 2002), no difference was found in business growth intention between men and women small business owners. Several explanations exist for this finding. For many women in developed countries the business is not a primary source of family income, but a secondary source (Levie

& Autio, 2013). However, in developing countries such as in SSA, where no social security welfare system exists and societal expectations lead women to take the leading role in caring for nuclear and extended family members, women might intend to grow their business in order to provide sustainable income and financial security for their families and to improve their living conditions and meet their needs. Thus compared to men entrepreneurs, women entrepreneurs may have different motives with regard to growing business (Rey-Martí, Porcar, & Mas-Tur, 2015) and growth happens to be a consequence of achieving other goals (Carsrud & Brännback, 2011). Thus, the results of this study indicate that business growth may not be mainly attributable to voluntary choices by women entrepreneurs, but rather to constraints upon them (Marlow & McAdam, 2013).

In summary, this research takes an initial step toward extending and validating the integration of SDT and TPB in the study of micro and small businesses owners' growth intentions. Although studies in another domain have integrated the two theories before, to our knowledge there is no research on the link between BPNS and business growth intention. The study supports the proposal that organismic approaches such as SDT can be incorporated into existing frameworks to provide better insight into the origins of the cognitive predictors of intentions (Deci & Ryan, 1985). This finding is important for the understanding that BPNS in entrepreneurial activity may serve as a useful source of information for entrepreneurs to develop a more positive attitude towards growth and then to predict growth intention.

Nevertheless, some limitations of this study need to be mentioned. The first limitation is that we measure growth intention using only the increase in number of employees. We did not utilize composite growth measures consisting of several different indicators of growth (Achtenhagen, Naldi, & Melin, 2010), as individual growth measures such as sales and employment have different flexibility (Delmar 2006). The second limitation concerns the cross-sectional character of the study. Mediation analysis gives some information about the possible direction of the relationships, but it is impossible to generalize regarding the causal relationship between needs, attitude, and growth intention (Mathieu & Taylor, 2006) based on cross-sectional studies. Moreover, data were collected from entrepreneurs in urban areas using a convenience sampling technique and thus should not necessarily be considered representative of the population. The third limitation is that we could not identify the mediation effect of PBC in our study due

to the confounding measure of PBC with attitude. Future studies should make sure to use PBC measures that are not confounded with attitude measures. Moreover, future longitudinal studies with a large sample need to be conducted to examine the mediation of TPB variables in the relation between growth intention and actual growth. Intentions are not always translated into behavior. The availability of resources and institutional forces may affect the relationship between entrepreneurs' growth intentions and subsequent actual growth. The relationship may depend on the level of education and experience of the small business manager as well as the dynamism of the environment in which the business operates (Wiklund & Shepherd, 2003). Specifically, gender difference might be most prevalent in actual growth of business since women entrepreneurs face different socio-cultural constraints that can affect their basic psychological needs satisfaction in entrepreneurial activity. Moreover, unfavorable conditions in local regulatory, normative, and cognitive systems in sub-Saharan countries (such as Ethiopia) have been found to place additional burdens on women to expand business (Amine & Staub, 2009).

Conclusion

This study highlighted how a basic psychological need for autonomy, competence, and relatedness in entrepreneurial activity is associated with positive feelings and attitudes towards business growth and then intention to grow business. In addition to this theoretical implication, it has practical implications in that promoting BPNS for business owners may be a means to promote growth of a business through the enhancement of positive beliefs regarding growth and the formation of intentions to grow business. A person's action plan to engage in a behavior is more likely to be translated into behavior if it is based largely on attitudes (Sheeran, Norman, & Orbell, 1999). According to SDT, individual differences and the business environment context can contribute to the satisfaction of basic psychological needs (Deci & Ryan, 2008; Ryan & Deci, 2000). Autonomy supportive business environments that encourage the process of choice, avoid controlling behavior (Reeve, Jang, Hardre, & Omura, 2002), and provide informational feedback (Ryan & Deci, 2006), can ease the satisfaction of those needs for business owners. However, controlling environments, whether they are familial, institutional, cultural, economic, or political, frustrate the satisfaction of those needs (Deci & Ryan, 2000; Ryan & Deci, 2011). Hence, policies and support programs need to create a business environment that supports business owners' autonomy, abilities and encourages

networking. Furthermore, avoiding constraints such as corruptions, regulations and financial barriers is essential to develop business owners' positive attitude towards growth and then their intentions to grow business.

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Chapter 6. General discussion

The aim of this dissertation was to explore the motivation of women entrepreneurs to pursue a business and their intention to grow it into a success that is meaningful to them within the ecosystem and socio-cultural contexts. A common stereotype is that women entrepreneurs in sub-Saharan Africa (SSA) start businesses in the informal sector not from choice but out of necessity. However, this dissertation focused on a group of women entrepreneurs in Ethiopia who operate their business in the formal sector with more opportunity for personal choice and with more success and growth potential, a group that tends to be ignored in research in SSA such as Ethiopia (Solomon, 2010; Stevenson & St-Onge, 2005).

The dissertation shows that for women who don't have to run a business as a means of survival, more autonomously (self-determined) oriented types of motivation inform their reason to become an entrepreneur and persist at being one. However, the economic, entrepreneurial ecosystem and the socio-cultural context of Ethiopia affect their autonomous motivations to start and develop their ventures. In this line, the four studies are built to answer the main research question mentioned in Chapter 1.

> *Which personal, entrepreneurial ecosystem and socio-cultural contextual factors explain the autonomous (self-determined) motivation of women entrepreneurs in Ethiopia to pursue their business and their intention to grow it into a success that is meaningful to them?*

Four sub research questions were formulated for the different studies that shed light on various aspects of motivation informed by self-determination theory (SDT). Motivation is an important factor in the entire entrepreneurial process (Carsrud & Brännback, 2011), and SDT provides a framework to understand motivation as well as personal and contextual conditions that facilitate autonomous functioning and well-being (Ryan & Deci, 2000). The questions were answered in four empirical chapters. In the reminder of this discussion chapter, first each sub question will be answered using the findings of the empirical chapters. Then an overview of the contribution of the dissertation to research and theory will be provided. In addition, a reflection on the dissertation's limitations is provided, followed by suggestions for future research. Finally some practical implications are suggested.

Discussion of the research question

Sub question 1: Types of motivation

The first research question concerned how types of motivation develop for women entrepreneurs to form and develop a venture in the entrepreneurial ecosystem of the formal sector of the economy. To answer this question, qualitative research was conducted involving interviews with 18 women entrepreneurs in Addis Ababa, the capital city of Ethiopia, who operate their business in the formal economy. Fourteen of the participants have a college diploma or university degree, two of them are in the manufacturing and construction sector, three are designers, two are in small scale production, and the remaining in the service and trade sector (Appendix 1). Data analysis was done using a directed approach to content analysis that is commonly applied to validate or extend conceptually a theoretical framework or theory (Hsieh & Shannon, 2005) (Chapter 2). According to SDT, types of motivation are located on a continuum ranging from extrinsic to intrinsic motivation. The different types of extrinsic motivations vary in terms of the level of autonomy (self-determined). This nuance was important to understand the findings from the interviews.

In line with the SDT framework (Deci & Ryan, 1985a, 2002), the interview findings show that women entrepreneurs can be both intrinsically and extrinsically motivated to start and develop a venture. A few participants in the sample were deeply intrinsically motivated to start their current business. For example, one of the participants said "doing business used to make me happy" for these participants, the reason for forming a venture is because they found entrepreneurial activity to be interesting and enjoyable by itself. As suggested in entrepreneurship literature, these participants have developed a passion for the venture itself (Bird, 1988; Cardon, Zietsma, Saparito, Matherne, & Davis, 2005; Chen, Yao, & Kotha, 2009). However, the majority of the participants were externally driven to form a venture because they found the venture to be important to fulfill other personal values. Along with intrinsic motivation, two types of extrinsic motivations (identified regulation and integrated regulation) are referred to as autonomous types of motivation. SDT posits that autonomous motivation predicts greater task persistence, performance, creativity, and psychological well-being (Ryan & Deci, 2000). Hence, these specific types of extrinsic motivation are important for women's persistence and commitment in being a business owner.

For identified regulation and integrated regulation forms of autonomous motivations, it was not the entrepreneurial activity as such that is interesting or enjoyable to the participants, but rather that they find the venture to be instrumental to another value or values. That is, when the value of entrepreneurial activity is internalized, women entrepreneurs do not necessarily become more interested in the entrepreneurial activity, but they choose to do it because of its personal value. For example, participants choose to pursue a business to engage in and be successful at designing traditional clothes (Chapter 4). Organismic Integration Theory (OIT: Deci and Ryan 1985a, 2000) proposes that according to the degree of internalization and integration of the entrepreneurial activity as compared to their other values, each participant's types of extrinsic motivation can be located on the SDT continuum. Indeed some participants provided a statement indicating that they have experienced the value of a venture fitting with their other important life values and goals such as to do what they love to do, to fulfill their desire in life, and to fulfill a passionate goal. In this line, passion for a venture may arise not because entrepreneurs are inherently disposed to such a feeling but because they are engaged in something that relates to a meaningful and salient self-identity for them (Cardon, Glauser, & Murnieks, 2017; Cardon, Wincent, Singh, & Drnovsek, 2009). Hence, participants who had fully internalized and integrated the regulations of the entrepreneurial behavior were motivated to create and develop a venture based on integrated regulation, which is a more autonomous extrinsic type of motivation.

On the other hand, for some participants forming and developing a venture appeared not to be linked to their wider goals in life. But they identify with the value and importance of engaging in entrepreneurial activity for reasons of self-selected aims and purposes such as to be independent or to avoid unpleasant situations at the workplace. These participants who wanted to start and develop a venture for personal relevance have partially internalized the regulation and engaged in entrepreneurial activity with a greater sense of autonomy. Thus, these participants created the venture based on identification regulation, which is a moderately autonomous form of extrinsic motivation.

Even in the sample of entrepreneurs in the formal economy who come from a well-to-do socio-economic background and who are highly educated and had a job before, a few women's motivation could be labeled as *introjected regulation* due to self-imposed pressure in order to avoid guilt or *external*

regulation for achieving externally imposed rewards or for avoiding punishments such as generating income for survival. Those participants who described the introjected regulation (moderately controlled) form of motivation engaged in running a business in order to not disappoint their husbands or to avoid negative feelings, such as the participant who mentioned that she quit a well-paying job since her husband insisted that she join his business and work and grow together (Chapter 2). Meanwhile, an external regulation reason for starting a business was identified in a participant who mentioned that starting a business was important to generate extra money for improving standard of living and for her children's better education (Chapter 2). This participant's motivation is not necessity-based since she had already a job. Hence, it is difficult to categorize the complex motivations of this participant and the participant who quit a job for no other reason than to not disappoint her husband as either necessity or opportunity. Moreover, the study also revealed the desire "not to disappoint husband" stated by some women as a reason for engaging in entrepreneurial activity, which has not been addressed in previous studies. Thus, SDT is important for a fuller and more nuanced understanding of women entrepreneur's motivations.

Similarly, though intrinsic, integrated, and identified are forms of autonomous motivation (Ryan & Deci, 2000) that are closely related to opportunity motivation, according to OIT the degree of internalization and integration of the value of creating and developing a venture indicates the magnitude and intensity of the motivation. The intensity of motivation varies from the least self-determined (external regulation) to the most self-determined extrinsic motivation (integrated regulation) and to fully self-determined (intrinsic motivation). For example, engaging in entrepreneurship to do what one loves to do, such as a designer job, involves a higher degree of autonomy (self-determined) compared to engaging in entrepreneurship to be independent due to a lack of independence in one's prior workplace. The former one involves a volitional choice, while in the latter case independence is an instrument to avoid an unpleasant situation in one's previous job.

Overall this study has shown that women entrepreneurs' motivation lies along the SDT continuum of relative autonomy (i.e., self-determination), reflecting the extent of their persistence and commitment to the venture. For example, those participants who were intrinsically motivated and who highly integrated the value of forming and developing the venture (integrated regulation) were passionate either about the

entrepreneurial activity itself or the product/service that they market. Hence, they can be viewed as highly motivated to pursue entrepreneurial activity since passion leads to harder work, greater effort, persistence, and enthusiasm (Cardon, et al., 2005). The study also revealed that the necessity/opportunity dualism is too simplistic to explain the motivation of women entrepreneurs. Moreover, SDT suggests that motives are not temporal but change over time through internalization. However, one does not have to progress through each stage of internalization; one can initially adopt any type of motivation at any point along the continuum depending upon prior experiences and situational factors (Ryan, 1995). The next question is then how to prompt a supportive social context to maintain intrinsic motivation and the internalization of extrinsic motivation. In the next section the influence of the entrepreneurial ecosystem and socio-cultural context in the process of internalization is discussed.

Sub question 2: Social context and internalization

According to Basic Psychological Need Theory, the process of internalization and integration happens when women entrepreneurs experience the satisfaction of basic psychological needs for autonomy, competence, and relatedness in entrepreneurial activity. Cognitive Evaluation Theory (CET: Ryan and Deci, 2000, 2008) suggests that autonomy-supportive social contexts (in this study entrepreneurial eco system and socio-cultural contexts) as well as an individual's autonomous orientation facilitate the satisfaction of needs for autonomy, competence, and relatedness of women in entrepreneurial activity. For example, women entrepreneurs can autonomously make a decision in consultation with autonomy-supportive parents, husbands, friends, suppliers, customers, and other entrepreneurs and thereby satisfy the needs for competence and relatedness. In Chapter 2 we pointed out that the facilitation of women's more self-determined engagement in entrepreneurial activity requires government, financial service providers, capacity and business skill developers, non-governmental organizations, investors, academia, women entrepreneurs' associations, and the Chamber of Commerce to provide human capital, financial, and other resources along with encouraging government policies and regulations to support the innate needs of women to be autonomous and effective and to feel connected in their entrepreneurial activity. In Chapter 3 we focused on socio-cultural context and individual causality orientation to answer the second sub research question: What are the autonomy supportive/controlling socio-cultural contexts that

facilitate/undermine the satisfaction of needs for autonomy, competence, and relatedness in the entrepreneurial activity of women entrepreneurs?

SDT addresses people's experience of autonomy primarily by focusing on authority-subordinate relations, in which one person (i.e., a parent, teacher, boss, or coach) has power over another (i.e., a child, student, employee, or athlete) (Deci & Ryan, 1985a). Accordingly, autonomy support involves when one individual (often an authority figure) related to a target individual takes their perspective, encourages initiation, supports a sense of choice, and is responsive to their thoughts, questions, and initiatives (Deci & Ryan, 2008). The findings in Chapter 3 show that authority-subordinate relations enacted in gender roles, parent-daughter relations, and husband-wife relations facilitate or undermine the satisfaction of the needs for autonomy, competence, and relatedness of women in entrepreneurial activity. Autonomy-supportive social agents (parent, husband, extended family members, and society) facilitate the satisfaction of autonomy in entrepreneurial activity by encouraging women to make their own choices in their education and career, by allowing them decision making autonomy over their own and household economic resources and by sharing their household responsibilities. Second, they can facilitate needs for competence satisfaction by providing emotional support and informational feedback in a non-judgmental way to develop confidence, to successfully complete a series of entrepreneurial tasks, and to avoid fear of failure in entrepreneurial activity. Competence is the need to have a sense of confidence and efficacy in one's actions (Ryan & Deci, 2002). Third, the facilitation of satisfaction of the need for relatedness in entrepreneurial activity involves sharing business problems, advising, and giving assistance in running a business. Previous research indicates that women entrepreneurs' family is the major source that provides emotional support, shares household responsibilities, and provides resources (Powell & Eddleston, 2013). This dissertation extends this knowledge by linking such support to the satisfaction of needs for autonomy, competence, and relatedness in entrepreneurial activity, which are essential for the autonomous functioning and well-being of women in entrepreneurial activity.

Controlling social agents act in the opposite manner. They thwart the satisfaction of basic psychological needs by maintaining and reinforcing the existing male-dominated social and economic order. For example, in SSA domestic violence is one way of maintaining power in a relationship. This

practice can have an effect on women entrepreneurs' decision making autonomy and freedom of choice on what, how, and when to operate their enterprises and to retain control over financial resources. Specifically due to the male-dominated socio-cultural context in SSA, husbands are major stakeholders of most women entrepreneurs (Wolf & Frese, 2018). Being subordinate to more powerful others in vertical systems introduces a high likelihood of autonomy being thwarted by the controlling practices of powerful others, as does the relatedness need, because hierarchies often place limits on people with whom one can affiliate (Ryan & Deci, 2017).

Moreover, the findings in Chapter 3 indicate that religious affiliation facilitates or undermines need satisfaction in the entrepreneurial activity of religious women entrepreneurs. Being religiously affiliated helps to create social capital, which is important to the satisfaction of needs for competence and relatedness. On the other hand, controlling religious institutions such as Ethiopian Orthodox convey hierarchies of gender and seniority that urge women to be obedient to their husbands (Malara & Bolyston, 2016). This may hinder the exercise of autonomy in the entrepreneurial activity of women. Finally, autonomously oriented participants (Chapter 3) tend to choose entrepreneurial activity based on their intrinsic interest and confidence in their ability. Autonomy orientation is related to a confident, effective approach to achievement (Koestner & Zuckerman, 1994).

Overall, autonomy supportive social agents and women entrepreneurs' autonomous causality orientation are essential for developing human capital and for acquiring financial and social capital to facilitate the satisfaction of needs for autonomy, competence, and relatedness in entrepreneurial activity, which in turn enhances optimal functioning and well-being in entrepreneurial activity. Research has shown that in various domains, need satisfaction is strongly related to both autonomous motivation and well-being (Milyavskaya & Koestner, 2011).

Sub question 3: What is business success for women entrepreneurs?

The third study (Chapter 4) explored the answer to the third research sub question: How do women entrepreneurs define business success in their own terms? The majority of the participants defined success in terms of financial rewards. However, the importance of the financial reward is expressed in terms of family and community values. This includes family security, better education for children, and financial

freedom to help others. This finding supports the view that business development is inextricably intertwined with family goals (Carter, Gartner, Shaver, & Gatewood, 2003). Along with financial success, most of the participants defined success as accomplishing personal goals, making changes in people's lives, self- fulfillment, and contributing to religion and society. Within the socioeconomic context of Ethiopia with its collectivist culture, women are compelled to invest in family and social values due to a lack of social security system and to a tendency to ascribe women to caring and nurturing roles. As a result, financial gains of the business are invested in the family and society and therefore constrain the financial performance of their businesses. Thus, supporting women entrepreneurs has significance for family well-being and societal welfare, and it has a positive impact on development indicators beyond economic growth (Minniti, 2010; Minniti & Naudé, 2010).

Moreover, the research shows that women entrepreneurs are not a homogeneous group, as some of the participants were able to cross the structural barriers and contribute to economic growth. In particular, young, educated women and those who engaged in male-dominated sectors defined their business success in terms of financial gain as an end in itself and in terms of growth in sales as well as in number of employees. According to the goal content theory, this group of participants are pursuing extrinsic goals (Kasser & Ryan, 1996).

On the other hand, most participants mentioned entrepreneurship as an important vehicle to pursue intrinsic goals such as self-fulfillment, stakeholder satisfaction, and societal contribution. When people are pursuing intrinsic goals, they are more likely to experience well-being (Sheldon, Elliot, Kim, & Kasser, 2001), to show sustained effort in their goal pursuit (Sheldon & Elliot, 1999), and to attain their goals (Judge, Bono, Erez, & Locke, 2005). Thus women entrepreneurs create significant value beyond economic growth for themselves and for others (Calas, Smircich, & Bourne, 2009; Sheikh, Yousafzai, Sist, & Saeed, 2018).

Sub question 4: Comparison of growth intentions

Even though growth is a choice, as revealed in the interviews in Chapter 4, it is often used as the sole measure of business success (Delmar, Davidsson, & Gartner, 2003). However, women entrepreneurs may tend to grow their business for different goals (Rey-Martí, Porcar, & Mas-Tur, 2015), and growth may

happen as a consequence of achieving those goals (Carsrud & Brännback, 2011). In support of this, previous research has shown that men's intention to grow business is motivated more by financial success, while women are motivated by status, financial success, and self-realization (Manolova, Brush, Edelman, & Shaver, 2012). SDT proposes that the satisfaction of needs for autonomy, competence, and relatedness have an energizing power, in the sense that once individuals' psychological needs are fulfilled, they are more likely to proactively engage in subsequent need-fulfilling activities (Deci & Ryan, 2002). In this vein, the last study in Chapter 5 seeks to answer the fourth sub question: Does BPNS in entrepreneurial activity predict growth intentions of men and women business owners? And is there a difference in growth intentions between men and women micro and small business owners?

This empirical study is conducted using quantitative analysis to provide a new understanding of micro and small business owners' growth intention by integrating SDT and the theory of planned behavior. In the study growth intention was measured as the intention to grow the number of employees in the business. The findings suggest that SDT is useful for conceptualizing the influence of BPNS in growth intention. Micro and small business owners intend to grow their business when they feel their need for autonomy, competence, and relatedness in entrepreneurial activity is satisfied. The satisfaction of those needs has an influence on developing a positive attitude towards business growth, which in turn influences their growth intention. In addition, the study found that there was no difference in intention to grow business between women and men micro and small business owners.

In conclusion, studies in Chapters 3 and 4 indicate that despite their constrained financial performance, women entrepreneurs in Ethiopia may intend to increase the number of employees in their venture and achieve success in their own terms. This indicates that although women entrepreneurs in SSA may operate their businesses under constrained circumstances, this does not mean that they are underperforming as compared to men. This supports the view criticizing the myth of underperformance of female entrepreneurs (Marlow & McAdam, 2013), in particular in the context of SSA countries.

Contribution

Taking a self-determination theory perspective, this dissertation provides several theoretical and methodological contributions to theory and literature on women entrepreneurs' motivation, success definition, and growth intention in the socioeconomic and cultural context of SSA countries.

Theoretical contribution

First the dissertation contributes to the typology debate on entrepreneurial motivation and motivational change over time. Studies have been made to categorize women's motivation as push/necessity versus pull/opportunity (Buttner & Moore, 1997; Hughes, 2003). However, this dichotomy type of categorization is criticized for being too reductive to categorize the diverse and complex nature of entrepreneurial motivation (Stephan, Hart, & Drews, 2015; Welter, Baker, Audretsch, & Gartner, 2017). In their review, Stephan, Hart, and Drews (2015) suggested seven typologies that are sufficient to capture all reviewed entrepreneurial motivations. Achievement motivation suggested under the first typology is an intrinsic motivation (Carsrud, Brännback, Elfving, & Brandt, 2009). Similarly, the remaining two under this first typology, challenging and learning motivations, are intrinsic motivations. People engage in entrepreneurial activity because it is a challenging task that provides opportunities to learn and thereby to feel competent, hence satisfying the need for competence in entrepreneurial activity as an end. However, the remaining six typologies of motivations these authors suggested are all extrinsic types of motivations. Although they suggested the relative importance of some types of motivation in different countries, they did not suggest the relative autonomy (self-determined) of each extrinsic motivation in terms of degrees of internalization of the venture. Moreover, the motivation of women to engage in entrepreneurship in order to not disappoint their husband is not mentioned in the review. This dissertation uniquely contribute to the entrepreneurial motivation literature by categorizing different motives of women entrepreneurs along the SDT continuum ranging from least internalized external regulation to fully inherent autonomous intrinsic motivation depending on the degree of internalization of the venture.

The strength of the SDT contribution to the field of women's entrepreneurial motivation is that it theorizes both intrinsic motivation and internalization of extrinsic motivation as natural processes that require nutriments for people to function optimally (Gagné & Deci, 2005). These nutriments that are

inherent and universal are the needs for autonomy, competence, and relatedness (Deci & Ryan, 2000; Gagné & Deci, 2005; Ryan, 1995). The satisfaction of these needs contributes to autonomous behavioral engagement (in this study entrepreneurial behavior) because it provides energy and direction, which in turn leads individuals to sustain the same behavior (Deci & Ryan, 2012). Thus, women entrepreneurs will be intrinsically motivated and internalize extrinsic motivation to engage in forming and developing their business when they find that the entrepreneurial activity is important to satisfy their needs for autonomy, competence, and relatedness. Moreover, the satisfaction of those needs is important for the internalization of extrinsic motivation. Thus our study contributes to entrepreneurial motivation research, specifically by shedding light on need satisfaction in the context of women entrepreneurs in SSA.

Second, a further significance of SDT is that it theorizes the satisfaction of the needs for autonomy, competence, and relatedness (the nutriments of intrinsic motivation for entrepreneurship) is facilitated or undermined by social context (Ryan & Deci, 2000, 2008), and by individuals' causality orientation (Deci & Ryan, 1985b). This provides a new perspective on feminist critiques of entrepreneurship, which claims that controlling social contexts (like very patriarchal societies) undermine the needs and positions of women entrepreneurs because their image is that of lacking and incomplete men (Ahl & Marlow, 2012). However, by applying two sub theories of SDT to the topic of women entrepreneurship, entrepreneurial ecosystem and socio-cultural contexts (CET) as well as causality orientation (COT) of women entrepreneurs, the findings of the dissertation support that satisfaction of needs for autonomy, competence, and relatedness can be found by women by engaging in entrepreneurial activity even in controlling contexts. The dissertation contributes to women's entrepreneurship literature by suggesting that in a highly patriarchal society context, personal and autonomy-supportive social agents matter for the autonomous motivation of women entrepreneurs to engage in entrepreneurship. So although societies as a whole provide a disadvantageous context for women entrepreneurs in general, individual women can find needs satisfaction in entrepreneurial activity through their interactions with important agents.

Third, the dissertation advances theory on the concept of autonomy in entrepreneurship literature. To date, the concept of the need for autonomy in entrepreneurship literature has largely been conceptualized as the reasons that motivate people to establish a venture (Alstete, 2008; Carter, et al.,

2003; Kirkwood, 2009) or as the entrepreneur's avoidance of restrictive environments (Rauch & Frese, 2007). However, the need for autonomy in SDT is not only to have freedom and independence in entrepreneurial activity; it touches upon more fundamental levels in terms of choice and volition (Ryan & Deci, 2006). For example, Van Gelderen (2016) suggests that the need for autonomy is not only a dominant entrepreneurial motivation, but it is a voluntary choice of decisional freedom that entrepreneurs enjoy, and experience of autonomy varies over time and is affected by internal and external contexts as well as by the entrepreneur. Autonomy even extends beyond having decisional freedoms to self-awareness, knowing what one's dreams and aims are, and acting on those dreams and aims (Van Gelderen, 2010).

Fourth, the dissertation contributes to the call for theory to extend the boundaries of entrepreneurship from economic activity to social change (Calas, et al., 2009) and to research women entrepreneurs' goals that go beyond economic gains (Jennings & Brush, 2013). Findings on the women's definitions of success indicate that their entrepreneurial endeavors have broader objectives than economic growth alone. Women entrepreneurs in Ethiopia define their success both in financial and non-financial terms. However, even the financial success in business is defined in terms of family well-being, the financial freedom it provides, and societal contributions, indicating that women's entrepreneurship in SSA contributes to social change. Moreover, their definitions of business in terms of intrinsic goals such as stakeholder satisfaction, self-fulfillment, and contribution to religion and society suggest that entrepreneurship is important for women to fulfill intrinsic goals. Intrinsic goals contribute to the satisfaction of basic psychological needs for autonomy, competence, and relatedness, and then to effective functioning and well-being (Deci & Ryan, 2000; Kasser & Ryan, 2001). This implies that women's entrepreneurship can contribute to changing the well-being of women and their position in society.

Fifth, in the last empirical study (Chapter 5), two theories, SDT and the theory of planned behavior (TPB), were integrated to study micro and small business owners' growth intentions. Most studies in startup and growth intention apply TPB (see Lortie & Castogiovanni, 2015; Schlaegel & Koenig, 2014). However, TPB is criticized for its failure to identify the theoretical origins of behavioral intentions (Hagger & Chatzisarantis, 2007). This dissertation builds on the critique by suggesting that self-determination theory addresses limitations of the theory of planned behavior (Hagger, Chatzisarantis, Barkoukis, Wang,

& Baranowski, 2005). Thus, this dissertation uniquely contributes to growth literature by indicating that attitude towards business growth mediates the relationship between basic psychological needs satisfaction and intention to grow business. Hence, the motivational foundations provided by SDT can shed light on behavioral intentions.

Overall, the dissertation contributes to the call for using an interdisciplinary approach to explore the impact of gender upon women's business ownership (Ahl & Marlow, 2012), and in particular to the call for women entrepreneurial activities in developing countries (De Vita, Mari, & Poggesi, 2014). The dissertation contributes by filling the gap in the nature and effects of family on women's entrepreneurial activity in the institutional, societal, and cultural contexts (Brush, De Bruin, & Welter, 2009) of SSA countries.

Methodological contribution

Although the methods applied in the research in the dissertation are not in themselves new, the use of qualitative research is still scarce in literature on entrepreneurship and motivation. In their review, Stephen et al. (2015) indicate the scarcity of qualitative studies in entrepreneurial motivation. Moreover, researchers emphasize the need to use qualitative analysis to study women entrepreneurship (Ahl & Marlow, 2012; Gartner, 2010). Especially now in the still exploratory phase of research on women entrepreneurship in developing countries such as SSA (De Vita, et al., 2014), and given the complexity of the topic, well-structured qualitative research plays a great role in understanding the peculiarities of the women's entrepreneurship phenomenon (Henry, Foss, & Ahl, 2016). The use of qualitative analysis in this dissertation was important for understanding various types of women entrepreneurs' motivation and success definitions as well as for linking the entrepreneurial process to the socio-cultural context. The semi-structured interviews allowed us to capture the complex nature of entrepreneurial motivation and to categorize motivations of women entrepreneurs, indicating new findings such as the desire "not to disappoint a husband" as a reason to engage in entrepreneurial activity. A structured survey questionnaire would not have allowed us to find such a reason, as these usually make little attempt to discover the world of women as business owners, instead imposing an existing structured perception based on male-centered notions (Stevenson, 1990).

Limitations and future research

This dissertation has several limitations. The specific limitations of each study are provided in the respective chapters. In this section, the focus is on the overall limitations. The first limitation is concerning the sampling techniques used to conduct a quantitative analysis in the last study on growth intention (Chapter 5). In order to select a stratified random sample for conducting the quantitative analysis, an attempt was made to obtain a list of micro and small business owners from the Ministry of Trade, which is responsible for registering and renewing trade licenses. However, the lists do not include gender or updated locations and phone numbers of the owners. Consequently, an attempt to select a stratified random sample was not successful. The findings are not statistically generalizable, although they do provide insights on the role of satisfaction of basic psychological needs in developing a positive attitude towards growing business and then intention to grow business.

The second limitation is the relatively small sample size in the qualitative studies (18 in 2 and 4; 19 in chapter 3), and 171 respondents in the quantitative study. The main reason for the small sample sizes was the unwillingness of business owners to participate in the study due to fear that the information they provided would be used for tax administration purposes. In addition to this, some of the owners were reluctant to give their time. So it was necessary to clarify the objective of the study along with an attached cover letter stating the objective and the rationale for voluntarily willingness to participate in the study. However, women entrepreneurs' associations were quite helpful for getting in contact with some respondents. Hence, collaboration of women entrepreneur associations, the Chamber of Commerce, and the Federal Micro and Small Enterprise Development Agency as well as enough budget and time are recommended for a large stratified random sample.

Third, the purposive sampling technique to conduct the qualitative analysis was important to introduce the application of SDT and its mini theories in women entrepreneurship research. The only limitation in the semi-structured interview questions was that lack of a question assessing well-being, in order to analyze the relations between intrinsic goals and basic psychological needs satisfaction as well as well-being. Further suggestions for future research are discussed within the different studies. In this

section, three more general suggestions for future research will be made to apply SDT in future women's entrepreneurship studies.

First, the "Basic Need Satisfaction and Frustration Scale" by Chen et al. (2015) is adopted in the quantitative study of growth intention in this dissertation (Appendix 4). Similarly, the findings in this dissertation can be used to adopt or modify existing questionnaires such as the perceived autonomy support scale (Deci, Connell, & Ryan, 1989), general causality orientation scale (Deci and Ryan, 1985b), motivation at work scale (Gagné et al., 2010), aspiration index (Kasser & Ryan, 1996), and subjective vitality scale questionnaire (Ryan and Frederick 1997) that is used to measure vitality, which is considered an aspect of eudemonic well-being (Ryan & Deci, 2001). The adopted questionnaires can then be used to examine BPNS as a mediating variable between: a) autonomy support and autonomous motivation, b) autonomous causality orientation and autonomous motivation, and c) autonomy support and well-being in the context of (women) entrepreneurship.

Second, according to goal content theory (GCT: Kasser & Ryan, 1993, 1996), success in terms of financial gain is an extrinsic goal. Researchers have shown that across varied samples, extrinsic goals are negatively associated with well-being (Kasser & Ryan, 1993, 1996; Sheldon & Kasser, 1995). However, reasons for pursuing a goal may also play a role, regardless of the goal content (Deci & Ryan, 2000). In line with this reasoning, findings in this dissertation indicate that women entrepreneurs have family reasons for the pursuit of financial success. Future studies could add to women entrepreneurship and well-being research by examining how the goals that women entrepreneurs- pursue influence their well-being.

Third, entrepreneurial orientation (EO) has been widely researched, but literature and empirical studies about factors and conditions that foster EO (risk taking, proactive, and innovation) remain scarce (Brettel, Chomik, & Flatten, 2015). Job autonomy was found to positively relate to innovative and proactive personality (Jong, Parker, Wennekers, & Wu, 2015). In this dissertation basic psychological needs satisfaction has been shown to influence attitude towards growth. EO is also a kind of attitude for behavior (business strategy), so following the same logic satisfaction of psychological needs in entrepreneurial activity may provide an explanation for EO. Future research could add to EO literature by examining the

influence of satisfaction of basic psychological needs (autonomy, competence, and relatedness) on EO of women entrepreneurs.

Conclusion and practical implications

This dissertation emphasizes motivation, socio-cultural context, and success definitions and growth intentions among women entrepreneurs operating businesses in the formal economy of Ethiopia. As mentioned in the introduction, women entrepreneurs in this group have the opportunity for personal choice and potential for success and growth (Solomon, 2010; Stevenson & St-Onge, 2005). However, in their effort to start and run a business and be successful in their own terms, they face challenges arising in their socio-economic and cultural context.

The studies have shown how socio-economic and cultural contexts and differences in individual orientation towards the contexts play a crucial role in supporting or failing to afford opportunities for satisfaction of basic psychological needs for autonomy, competence and relatedness in the entrepreneurial activity of women entrepreneurs. As shown in the studies, the satisfaction of these needs is essential to prompt autonomous motivation, which is important for effective engagement and well-being in the entrepreneurial activity of women. Hence, understanding opportunities and challenges of the socio-economic and cultural contexts is important for policy makers, support providers, and educational institutions, to enhance autonomous motivation in entrepreneurial activity, and to acknowledge attainment of intrinsic goals for the optimal functioning and well-being of women entrepreneurs in SSA. In each of the studies specific practical implications are discussed. Next we will discuss the overall practical implications of the dissertation.

First, the findings in this dissertation suggest that interventions related to support that aims to satisfy basic psychological needs (autonomy, competence, and relatedness) can be helpful to enhance autonomous motivation of women entrepreneurs. Legal and regulatory policies need to be designed to support the satisfaction of those needs in order to encourage autonomous engagement of women in entrepreneurship. This will help them to start a business and to aspire to grow their business and be successful in their own terms. For example, the existing Micro and Small Enterprise policy and strategy for provision of credit hinders this possibility, because it mainly prioritizes enterprises involved in export,

manufacturing, and construction sectors. Moreover, it requires borrowers to save at least 20% of the requested loan amount (MoUDH, 2012). This restrictive policy of setting a ceiling on sectors and saving requirements is quite detrimental, as it fails to encourage women entrepreneurs to get a loan in order to start and develop their businesses in their choice of sector. The promotion of financial access and its implementation need to take better account of women entrepreneur's limited financial autonomy as well as their choice of sectors. For example, accessing capital without the support of a partner is difficult for women entrepreneurs in Ethiopia (World Bank, 2009).

Second, there are different training programs designed to support women entrepreneurs. However, the trainings mainly focus on developing business skills that are important for satisfying the need for competence. In addition to this, training that focuses on stress management is specifically important to women entrepreneurs in SSA. In Ethiopia women entrepreneurs are operating their businesses by integrating them with family and social responsibilities (Gudeta & van Engen, 2017). This requires them to work for long hours with the pressures of commitments and obligations that may expose them to stressful situations. Job demands have been found to hurt entrepreneurs' well-being (Rau, Morling, & Rösler, 2010) and to drain their energetic resources (Sonnentag & Jelden, 2009). However, better coping with demanding events is associated with greater autonomous functioning (Weinstein & Ryan, 2011). Thus, stress management training can provide women entrepreneurs with tools to approach stressful events with more resilience and a more adaptive coping style.

Moreover, training programs as well as any support such as the project to link women entrepreneurs to international markets need to be evaluated in terms of satisfaction of needs (autonomy, competence, and relatedness) in the entrepreneurial activity of women entrepreneurs.

Third, previous studies indicate that entrepreneurial self-efficacy (competence) has a stronger effect on entrepreneurial interest for girls than of boys (Kickul, Wilson, Marlino, & Barbosa, 2008). In line with this, entrepreneurship education should not only focus on teaching entrepreneurship for wealth creation but also on teaching competence, autonomy, and relatedness as sources of entrepreneurial satisfaction that are important for autonomous functioning and well-being in entrepreneurial activity. Examples of autonomously motivated women entrepreneurs in case studies, documentaries, and text

books will encourage young women to choose entrepreneurship as a career. The inclusion of female role models as guest speakers is also important in this respect (Kickul, et al., 2008). Moreover, specifically in SSA, textbooks at all levels of education need to promote gender equality by including examples of diversified roles for each gender. Examples that include both male and female characters participating in housework and in entrepreneurship will help to create an image that men can do housework activities and women can engage in entrepreneurship activity.

To conclude, this dissertation has shown that entrepreneurship in SSA can be a way of fulfilling intrinsic goals for women. Through satisfying their needs for autonomy, relatedness, and competence in entrepreneurial activity, women will feel empowered to contribute to the wealth and well-being of themselves, their families, and society at large.

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Appendix 1: Demographic profile of Interview participants

Case	Type of Business	Age of part.	Age of Business (in years)	Marital Status	No. of children	Educational Background	Number of employees
P01	Small scale leather production	31	7	Married	2	Diploma	2
P02	Stationary items store	36	13	Married	3	High School	3
P03	Footwear company	31	9	Married	3	Diploma in Accounting	120
P04	Small scale bottled jam production	55	2	Married	2	Diploma in Nursing	6
P05	Souvenir shop	29	2	Single	No	High School	1
P06	Food processing and catering	28	2	Married	2	Masters in Marketing	15
P07	Designer and traditional cloths store /exporter	48	7	Married	3	Diploma in Designing	5 (Outsource products with 10 weavers)
P08	School owner	46	16	Married	3	Bachelor's Degree	22
P09	Yoga & wellness center	37	0,5	Married	2	Masters in Culture Economics	9
P10	Designer, exporter, cultural gift	50	21	Married	2	Bachelor's Degree in designing and Diploma in banking	7 (Outsource products with 97 weavers)
P11	Brick manufacturer	51	4	Married	3	Bachelor's Degree in Accounting	30
P12	Dairy products retail and transportation service (taxi)	34	8	Married	2	Elementary school	7
P13	Management consultant and food stuffs shop	36	4	Married	3	Masters in Marketing	2 and 6

P14	Guest house	52	3	Single	No	Bachelor's Degree in Education	6
P15	Beauty salon and training center	32	11	Married	2	High School	7
P16	Diagnostic center and importer, and kids shop	34	8	Married	4	Bachelor's Degree in Business Information System	52,2 and 2
P17	Kids clothing store	38	4	Married	2	Bachelor's Degree	1
P18	Designer	34	7	Married	3	Masters in psychology	5 (outsource products with weavers)
P19	Café and construction equipment rental	42	9	Married (2^{nd} Marriage)	3	10^{th} grade	9

Appendix 2: Interview topic guide

1) Take me back through the history in your life that made you start the business.
    a) When did you start the business?
    b) What motivated you?
    c) Why did you decided to choose this particular business sector?
    d) What was your background (education and experience) prior to start-up of the business?
    e) Who, in your family supported your decision to start your business? Who didn't? And why?
    f) Did you have any financial or other support during set-up? If so, how and from where did you get the support?
2) Tell me how you are running the business.
    a) How many employees are there? (Male, Female)?
    b) How is the management structure?
    c) What is the goal of your business (when started and currently)?
    d) What strategy do you use to achieve your business goal?
    e) What are your responsibilities in your business?
    f) Whom do you consult in making major business decisions?
    g) Is the location of your business close to your home?
3) How do you see yourself as a business owner?
    a) How important is your business for you as a person?
    b) What does success in business mean to you?
4) Based on your definition of success do you believe our business is successful? If so:
    a) What are the factors that, in your opinion, most contribute to the success of your business?
        i) What are the personal traits which have contributed to the success of your business? (Risk taking, need to achievement, hard work, etc.)
        ii) What are the managerial factors which have contributed to the success of your business? (Customer service, commitment to product/quality, etc.)
        iii) What are the external factors which have contributed to the success of your business? (Government support, corruption/bribe, political Involvement, etc.)
    b) If you believe your business is not successful, why do you think is the reason?
        i) What are the major challenges you encountered in not being successful in your business.
5) Can you tell me about your family and social life?
    a) What is your marital status? Do you have children? If yes, what is their age pattern?
    b) Do you have other dependent(s)? If yes, who are they and for what reason they are depending on you?

c) What are your responsibilities at home?

d) Do you have social responsibilities other than at home and at the business?

e) How important is your family for you as a person?

f) Do you feel you spend enough time with your family and dependent(s)?

g) How do you deal with your family and social life responsibilities with your business activities?

6) How do you balance your business and family responsibilities?

a) Do you feel your business affects your family life? In what way?

b) Do you feel your business contributed positively to your family life? In what way?

c) Do you feel your family life affects your business? In what way?

d) Do you feel your family contributed positively to your business? In what way?

e) How do you deal with such difficulty? What is your strategy for combining business and family responsibilities?

i) Do you integrate your life and business responsibilities? If so, how?

ii) Do you separate your life and business responsibilities? If so, how?

f) Do you feel you have control when you want to take care of your family responsibilities and when you want to do your business?

7) Tell me about the support you get in taking care of your family and business responsibilities, if any.

a) From whom do you get support (spouse, nanny, employees…)?

b) What type of support do you get (emotional, financial)?

c) Do you believe that the support you get is helping you in achieving your family and business goals? If not, why do you think is the case?

8) Before the end of the interview, I just have some background questions to ask:

a) What is your age?

b) What is your ethnic group?

c) Where is your place of birth/origin? If different from where you are running your business now, when and why did you come to this place?

d) What is your level of education?

e) What is the age of the business?

9) I am done with my interview, is there anything else you would like to share?

Appendix 3: Cover letter

Dear Participant,

I am a lecturer at Addis Ababa University currently studying for a PhD degree at Tilburg University in the Netherlands. This questionnaire is intended for gathering information for my PhD dissertation. The study is regarding your intention to grow your business by increasing number of employees during the next 5 years.

You are not obligated to participate in this questionnaire. And it should be noted that it will only be used for research purposes; your privacy will be maintained. There will be no implications on you or your business. All of the response in the survey will be recorded anonymously. Keeping this in mind, you can fill the questionnaire without mentioning your name or the name of your business. I kindly ask you to read all the questions carefully and provide a sincere answer to ensure the quality of the research.

Your response and time is greatly appreciated. Thank you!

Sincerely,

Atsede Tesfaye Hailemariam
Addis Ababa University College of Business and Economics
School of Commerce
P.O. Box: 41137
Tel: 0913386704
Email: tatsede@gmail.com

Appendix 4: Questionnaire

Instructions: please put a tick ☐ ✓ in the box next to the answer of your choice or write in the space provided as the case may be.

1. Type of the business sector_____

2. How much was the initial capital of your business? _____

3. Age of business _____

4. Type of business ownership

☐ Sole Proprietorships ☐ Partnerships ☐ Other

If other please specify_____

5. Are you the founder of the business? ☐ Yes ☐ No

6. If your answer to question 5 is no, did you buy or inherit the business?

☐ Bought ☐ Inherited ☐ Other (please specify) _____

7. How many employees did you hire when starting the business? _____

8. Currently how many employees are working in your business? _____

9. Which of the two following statements best describes your preference for the future size of this business?

☐ I want the business to be as large as possible,

☐ I want a size I can manage myself or with a few key employees.

Instruction: Please answer each of the following questions by circling the number that best describes your opinion on increasing number of employees in this business during the next five years. Some of the questions may appear to be similar, but they do address somewhat different issues. Please read each question carefully, and in making your ratings remember these two points:

* Be sure to answer all items – do not omit any.
* Never circle more than one number on a single item.

A. How well do the following statements describe you?

		Strongly disagree	Moderately disagree	Slightly disagree	Neither disagree nor agree	Slightly agree	Moderately agree	Strongly agree
10	I plan to take steps to increase number of employees during the next 5 years	1	2	3	4	5	6	7
11.	I intend to take steps to increase number of employees during the next 5 years	1	2	3	4	5	6	7
12	I will try to take steps to increase number of employees during the next 5 years	1	2	3	4	5	6	7

B. Indicate your level of agreement with the following sentence

Increasing number of employees during the next 5 years would

		Strongly disagree	Moderately disagree	Slightly disagree				
13	…limit my ability to survey and control operations.	1	2	3	4	5	6	7
14	…increase my income	1	2	3	4	5	6	7
15	… be easier for the business to survive a severe crisis	1	2	3	4	5	6	7
16	…make it difficult for the business to maintain the quality of products and services.	1	2	3	4	5	6	7
17	…increase the business's independence in relation to customers, suppliers, and lenders.	1	2	3	4	5	6	7
18	... allow me to spend more time on favored work tasks	1	2	3	4	5	6	7
19	…make employees enjoy work more.	1	2	3	4	5	6	7
20	…involve high risk of failure.	1	2	3	4	5	6	7
21	…require me to work long hours every day.	1	2	3	4	5	6	7

C. How well do the following statements describe your situation?

Considering increasing the number of employees in the next 5 years …

		Strongly disagree	Moderately disagree	Slightly disagree	Neither agree nor disagree	Slightly agree	Moderately agree	Strongly agree
22.	…my closest family members think I should take steps to do it	1	2	3	4	5	6	7
23	…my closest friends think I should take steps to do it.	1	2	3	4	5	6	7
24	…people who are important to me think I should take steps to do it.	1	2	3	4	5	6	7

How much would you care about what these people think, if you wanted to take steps to increase number of employees in your business in the next 5 years?

		Not at all	Very little	Little	Not little/ not much	much	Very much	Totally
25	Your closest family.	1	2	3	4	5	6	7
26	Your closest friends	1	2	3	4	5	6	7
27	People, who are important to you	1	2	3	4	5	6	7

D. Please assess yourself with the following statements.

		Strongly disagree	Moderately disagree	Slightly disagree	Neither disagree nor agree	Slightly agree	Moderately agree	Strongly agree
28	If I wanted to, I could take steps to increase number of employees during the next 5 years.	1	2	3	4	5	6	7
29	If I took steps to increase number of employees during the next 5 years, I would be able to control the progress of the process to a great degree myself.	1	2	3	4	5	6	7
30	It would be easy for me to take steps to increase number of employees during the next 5 years	1	2	3	4	5		
31	If I wanted to take steps to increase number of employees during the next 5 years, no external factor, independent of myself, would hinder me in taking such action.	1	2	3	4	5	6	7

E. Instruction: Indicate your level of agreement with the following sentences.

		Strongly disagree	Moderately disagree	Slightly disagree	Neither disagree nor agreeE	Slightly agree	Moderately agree	Strongly agree
32	Increasing number of employees in the next 5 years is an important part of who I am	1	2	3	4	5	6	7
33.	I see myself as a person that would like to increase number of employees in the next 5 years	1	2	3	4	5	6	7
34.	Increasing number of employees in the next 5 years is important to me.	1	2	3	4	5	6	7

Instruction: The following sentences refer to the kind of experiences you actually have in your business. Please read each of the following items carefully and choose from 1 to 5 to indicate the degree to which the statement is true about your business at this point by circling only one number for each statement.

		Not true at all	Slightly true	True about half the time	Mostly true	Completely true
35	In running my business I feel a sense of choice and freedom in the tasks I undertake.	1	2	3	4	5
36.	When I am running my business I feel competent to achieve my goals.	1	2	3	4	5
37	In my business I feel connected with people who care for me and for whom I care (customers, suppliers and employees).	1	2	3	4	5
38	I feel confident that I can do things well in my business.	1	2	3	4	5
39.	I feel my choices on my business express who I really am	1	2	3	4	5
40.	In my business I feel I can successfully complete difficult tasks.	1	2	3	4	5
41	I feel I have been doing what really interests me in my business.	1	2	3	4	5
42	In my business I feel close and connected with other people who are important to me.	1	2	3	4	5
43	I feel that my decisions on my business reflect what I really want.	1	2	3	4	5
44	I feel that the people I care about in my business also care about me.	1	2	3	4	5
45		1	2	3	4	5

	In running my business I feel capable at what I do.					
46	In my business I experience a warm feeling with the people I spend time with.	1	2	3	4	5

Instructions: please put a tick ☑ in the box next to the answer of your choice or write in the space provided as the case may be.

47. Your Sex ☐ Female ☐ Male

48. Your age_____

49. Your ethnic origin _____

50. Do you have children? ☐ Yes ☐ No

51. If yes, how many children? _____What is the age of the youngest child? _____

52. What level of education have you completed?

☐ Reading and writing ☐ Primary ☐ Secondary

☐ Vocational training ☐ College / University

☐ Other (Please specify)_____

53. Please indicate below your experience prior to starting this business

☐ I was involved in another business of mine ☐ I was involved in my family's business

☐ I was involved in my husband's business ☐ I had no paid job

☐ I was an employee ☐ I was a student

☐ Other (please specify) _____

54. Have your parents ever been involved in a business? ☐ Yes ☐ No

55. Are your parents currently involved in a business? ☐ Yes ☐ No

56. Is/was your spouse involved in running a business? ☐ Yes ☐ No

57. If you have any further comments about increasing number of employees in your business please, write your comments in the space given below.

Thank you for your participation